

**Absolutely Positively**  
**Wellington City Council**

Me Heke Ki Pōneke

# Ordinary Meeting of Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Ngā Meneti | Minutes

9:30 am Rāpare, 13 Huitanguru 2025  
9:30 am Thursday, 13 February 2025  
Ngake (16.09), Level 16, Tahiwī  
113 The Terrace  
Pōneke | Wellington



**PRESENT**

Mayor Whanau  
Deputy Mayor Foon  
Councillor Abdurahman  
Councillor Apanowicz (Deputy Chair)  
Councillor Brown  
Councillor Calvert  
Councillor Chung  
Councillor Free  
Pouiwi Hohaia  
Pouiwi Kelly  
Councillor Matthews (Chair)  
Councillor McNulty  
Councillor O'Neill  
Councillor Pannett  
Councillor Randle  
Councillor Rogers  
Councillor Young (via audiovisual link)

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## 1. Meeting Conduct

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### 1.1 Karakia

The Chairperson declared the meeting (hui) open at 9:32am.

### 1.2 Apologies

**Moved Councillor Matthews, seconded Councillor Free**

#### **Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Accept the apologies received from Councillor Wi Neera for absence.

**Carried**

### 1.3 Conflict of Interest Declarations

No conflicts of interest were declared.

### 1.4 Confirmation of Minutes

**Moved Councillor Matthews, seconded Deputy Mayor Foon**

#### **Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Approves the minutes of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Meeting held on 17 December 2024, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

**Carried**

### 1.5 Items not on the Agenda

There were no items not on the agenda.

**Secretarial note:** In accordance with Standing Order 20.11, the chairperson allowed the following members to deliver personal explanations, all regarding comments made at the 17 December 2024 meeting of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee: Councillor O'Neill, Councillor Chung, and Councillor Randle.

### 1.6 Public Participation

#### **1.6.1 Mazz Scannell – Friends of the Wellington Botanic Garden**

On behalf of the Friends of the Wellington Botanic Garden, Mazz Scannell addressed the hui regarding item 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document.

### **1.6.2 Wayne Norwood**

Wayne Norwood addressed the hui regarding item 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document.

### **1.6.3 Sophie Barry and Stella O'Brian – youth group**

On behalf of a youth group, Sophie Barry and Stella O'Brian addressed the hui regarding item 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document.

### **1.6.4 John Swan**

John Swan addressed the hui regarding item 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document.

## **2. General Business**

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(Councillor Calvert left the hui at 10:10am.)

(Mayor Whanau left the hui at 10:16am.)

(Mayor Whanau joined the hui at 10:18am.)

### **2.1 Te Toi Mahana Quarterly Performance Report**

**Moved Councillor Rogers, seconded Pouiwi Hohaia**

#### **Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the attached Performance Report.

**Carried**

The hui adjourned at 10:23am and returned at 10:35am with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Geordie Rogers, Mayor Whanau, and Councillor Young.

(Pouiwi Kelly joined the hui at 10:36am.)

### **2.2 Quarter 2 Report FY24/25**

**Moved Councillor Apanowicz, seconded Councillor Matthews**

#### **Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the Quarter two (Q2) Performance Report on the 2024-34 Long-term Plan (LTP).
2. Note the Quarterly Report format has been changed to match the 2024-34 LTP in design and presentation, and that the report is on a continuous improvement pathway to develop the Council's Quarterly Governance reporting.
3. Recommend that Council approve the following requests for 2024/25.
  - a) Additional operating funding in activity 3.1.4 Major Economic Projects as a grant for Sky Stadium of \$2.3m for capex upgrades.

- b) Additional capital funding in activity 4.1.1 Galleries and Museums for Space Place of \$0.050m to enable completion of the Technology upgrade.
- c) Updating capital and operating budgets for the sludge minimisation project in activity 2.4.2 Sewage Treatment made up of \$20.0m capital expenditure and capital revenue, and \$1.0m operating expenditure and revenue. The budget for this needs to be updated to reflect the approved P80 budget figure rather than the previously used P50 budget figure. These costs are fully funded by the IFFAA.

**Carried**

### **2.3 CCO FY24/25 Quarter 2 Report**

**Moved Councillor O'Neill, seconded Councillor McNulty**

#### **Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the information.
2. Note the contents of the report.

**Carried**

The hui adjourned at 11:06am and returned at 11:11am with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Geordie Rogers, Mayor Whanau, and Councillor Young.

The hui adjourned at 11:32am and returned at 11:41am with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Geordie Rogers, Mayor Whanau, and Councillor Young.

### **2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document**

**Moved Mayor Whanau, seconded Councillor Apanowicz**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. **Receive** the information.

#### *LTP Amendment*

2. **Agree** the three options to create debt headroom and establish a Disaster Resilience Fund as outlined in the body of the report and included in the draft CD appended as Attachment 1.
3. **Agree** to consult on the options for Begonia House, the Karori Events Centre and Paneke Pōneke bike network programme as outlined in the body of the report and included in the draft CD appended as Attachment 1, **with the following changes:**

- a) Agree to consult on Option C as the preferred option for Begonia House with demolition and Option E as the alternative options.
  - b) Request officers work with Friends of Begonia House to support public fundraising efforts that could enable further improvements to be made to Begonia House.
  - c) Agree that the decrease in funding for retaining walls be changed to \$19.2m and that \$7.5m be reinstated and be distributed evenly across years 3 to 10. This is to reflect that the decision at the 26 November 2024 meeting was intended to be a net increase, not a re-allocation between years.
4. **Agree** to update the financial strategy to reduce the debt to revenue ratio limit from debt capacity of \$1b, to a limit of 200% as outlined in the body of the report.

#### *2025/26 Annual Plan*

5. ~~Note that additional funding was requested by Wellington Water Ltd for 2025/26 (and out-years) and that officer advice will be provided ahead of the committee meeting on 13 February.~~ **Agree** additional funding that was requested by Wellington Water LTD be debt funded and comprises:
- a) \$5m opex for 2025/26
  - b) \$25m capex for 2025/26
6. **Agree** additional funding of \$8m for WCC's share of entity establishment costs for 2025/26 (this includes internal costs) and, that this be debt funded as outlined in the in the body of the report.
7. **Agree** that cost increases of \$16.5m that relate to increased internal rates of water utilities be debt funded as these properties will be transferred to the new Water Services Entity as outlined in the body of the report.
8. **Agree** not to fund additional depreciation cost of \$9.8m relating to water assets on the basis that these assets will transfer to the new Water Services Entity, and the replacement of the asset at the end of its useful life will not be funded by Wellington City Council as outlined in the body of the report.
9. ~~Agree to provision \$11.1m for edge protection of the Waterfront in 2025/26, with a business case to be provided to elected members for consideration and approval prior to the edge protection works being undertaken.~~ **Note that the coronial inquiry into death of Sandy Calkin will be published in the coming months and is likely to recommend Wellington City Council improve the standard of edge protection around sections of the waterfront.**
- a) **Agree** that before final decisions are made on edge protection, officers will provide Elected Members with advice on options, including health and safety requirements, and undertake a public consultation process.
  - b) **Agree** to provision \$11.1m for possible waterfront edge protection improvements in 25/26 pending the outcome of officers advice and the public consultation.
10. **Note** that the above recommendations result in a rates increase for 2025/26 of 12.2% (after growth, including sludge levy).
11. **Note** that the budget currently reflects a rates increase of 13.8% (after growth, including sludge levy) as options for funding cost pressures have not been included.

12. **Note** that the budget will need to be updated to reflect decisions made about cost pressures and how they are funded.
13. **Agree** to include Mātai Moana Reserve options in the CD for community feedback with the preferred option being joint management with iwi as outlined in the body of the report and the draft CD (Attachment 1).
14. **Agree** to include the updated Rating Policy regarding Short-Term Accommodation providers as outlined in the body of the report and the draft CD (Attachment 1).
15. **Agree** 2025/26 proposed Fees and User charges as outlined in the body of the report and the draft CD (Attachment 1).

*Report back to committee*

16. **Note** that the committee requested further advice and information on:
  - *Council art collection* – note officers' feedback, outlined in the body of the report (and Attachment 13), on the future of the Wellington City Council's (WCC) art collection. This includes options for partial sale of the collection as well as options for providing greater public access, as requested by the Committee at its 17 December 2024 meeting.
  - *Fully funding operating costs* – note officers' advice, outlined in the body of the report) on the impact and options for fully funding operating costs.
17. **Agree** that a formal policy be developed on Carbon Credits to inform future decisions on divestment of Carbon Credits as outlined in the body of the report ('Discussion' section this report as well as Attachment 9).

*Water reform*

18. **Note** that consultation collateral on water reform options agreed by LTPFP Committee on 11 December 2024 is being prepared and will be included in the CD ahead of formal consultation starting.
19. **Note** that the Local Water Done Well reform consultation options will not be audited which is in line with the provisions of the Local Government Act (Water Services Preliminary Arrangements) 2024.
20. **Note** that the LTP Amendment budget has been updated to reflect the preferred water reform option so that the financial impact of the preferred option over the remaining years of the LTP is visible.

*Revaluation and General Rates Differential*

21. **Note** the impact of the 2024-25 City-wide revaluation on property values.
22. **Note** that we will maintain our current general rates differentials.

*Consultation Document, supporting information and consultation process*

23. **Note** that the draft CD (Attachment 1) and supporting information has been prepared based on decisions agreed at the 26 November and 17 December 2024 LTPFP Committee meetings.



24. **Note** that public consultation is scheduled for 20 March to 20 April 2025 and the Special Consultative Procedure prescribed under the LGA 2002 is required to be used.
25. **Agree** the approach to community consultation and communications programme as outlined in Attachment 14.
26. **Recommend**, on the advice of the Crown Observer, that Te Kaunihera o Pōneke | Council approve the draft Consultation Document for audit attached as Attachment 1 and associated documents (attachments 2-14), incorporating amendments carried at the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting of 13 February 2025, and including:
- 2024-34 LTP Amendment
  - 2025/26 Annual Plan
27. **Note** the supporting information for audit, with consequential LTP Amendment tracked changes, included in Attachments 2 – 8.
28. ~~**Agree** that, on the advice of the Crown Observer, the Council approves the attached consultation document and supporting information prior to it being audited.~~

*Audit and next steps*

29. **Note** that Audit NZ will audit the draft Consultation Document and supporting information (LTP Amendment elements only), and this may result in further changes. Any changes from Audit NZ will be reported to LTPFP Committee on 18 March 2025 when the final Consultation Document and supporting information will be approved for consultation.
30. **Recommend** that Te Kaunihera o Pōneke | Council agree to delegate the Chair and Deputy Chair of Long-term Plan, Finance, and Performance Committee, and the Chief Executive to make minor editorial changes and updates to the CD and supporting information to reflect committee decision-making and as part of finalising the material for Audit NZ review.
31. **Request** officers report back on the Town Hall project before the end of the financial year and determine whether there are any savings that could be used to offset the costs of Begonia House and waterfront edge protection budgeted in the LTP and Annual Plan.
- a) **Note** that this resolution supersedes resolution 20.3.11 to use unspent Town Hall budget on water capex, as WWL's funding request for 25/26 is supported in full and the Council's preferred option for water reform means future budgets may not include water funding.

**Attachments**

- 1 Amendment to published fees in attachment 12
- 2 Tabled Q&A document

**Secretarial note:** The motion was moved with changes to the recommendations in the officers' report, as marked in red.

**Moved Councillor Brown, seconded Councillor Free, the following amendment**

**Resolved**

17A. Request that, before 30 June 2025, officers provide further advice / policy position on the sale of WCC carbon credit holdings and undertake a review of Council's accounting treatment and management of its carbon credit activities.

**Carried**

**Moved Councillor McNulty, seconded Councillor Abdurahman, the following amendment**

**Resolved**

15. Agree 2025/26 proposed Fees and User charges as outlined in the body of the report and the draft CD (Attachment 1) **with the following changes:**

- a) **Change 5.1.1 Swimming Pools - Child Swim, proposed fee change Annual Plan 25/26 from \$4.20 to \$4.**
- b) **Recommend this cost be offset at Officer discretion.**

**Carried**

The hui adjourned at 12:29pm and returned at 1:00pm with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor Pannett, Councillor Randle, Councillor Rogers, Mayor Whanau, and Councillor Young.

(Councillor O'Neill joined the hui at 1:00pm.)  
(Deputy Mayor Foon joined the hui at 1:00pm.)

**Moved Councillor Calvert, seconded Councillor Randle, the following amendment**

**Resolved**

3. Agree to consult on the options for Begonia House, the Karori Events Centre and Paneke Pōneke bike network programme as outlined in the body of the report and included in the draft CD appended as Attachment 1 **with the following changes:**

- d) **Agree for Paneke Pōneke Bike Network consultation to make option 3 to be council's preferred option for consultation with the intention that any savings will assist in funding additional essential water infrastructure investment.**
- e) **Agree that the option to demolish the Begonia House be removed from the consultation document whilst still retaining the information in respect of the demolition process including costs.**

25A. **Agree** to increase the number from to one to two drop-in sessions per ward for LTP/Annual consultation ensuring a more balanced geographic spread to encourage participation for those requiring in-person interaction.

25B. **Agree** to include in the Consultation Document a clear graphic to aid public understanding of the growth of the Council's debt levels and operational expenditure since the previous Long-Term Plan in 2021 was agreed through to the current plan (2024-2034) plan by providing:

- i. Council's debt levels and its trajectory for the period 2021 to 2034 including the impacts of the current options to manage insurance risk including in the LTP amendment.
- ii. Council's annual operational expenditure budget and its trajectory for the period 2021-2034

11A. **Agree** for officers to investigate other options over the next two months to consider further savings to reduce operational expenses by \$20 million (approximately 4% rates increase reduction and savings of approximately 2% of the overall operational budget for 2025/26) in particular targeting:

- i. # 1073 Wellington Tourism
- ii. #1125 Housing Operations and Maintenance
- iii. # 1215 - Te Ngākau programme
- iv. Town hall project
- v. General corporate overheads including but not limited to external recruitment, external leadership training, communications etc.

**Partially carried**

**Secretarial note:** Voting was taken in parts. Clauses 25A and 25B carried. All other clauses lost. A division was called for, voting on which was as follows:

Clause 3d

**For:**

Councillor Calvert, Councillor Chung, Councillor Randle, Councillor Young

**Against:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers

**Absent:**

Councillor Wi Neera

Majority Vote: 4:13

**Lost**

Clause 3e

**For:**

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor Pannett, Councillor Randle, Councillor Young

**Against:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Rogers

**Absent:**

Councillor Wi Neera

Majority Vote: 6:11

**Lost**

**KŌRAU TŌTŌPŪ | LONG-TERM PLAN,  
FINANCE, AND PERFORMANCE  
COMMITTEE  
13 FEBRUARY 2025**

Clause 25A

**For:**

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor Free, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Young

**Against:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor Rogers

**Absent:**

Councillor Wi Neera

Majority Vote: 9:8

**Carried**

Clause 25B

**For:**

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor Free, Pouwi Hohaia, Councillor McNulty, Councillor Pannett, Councillor Randle, Councillor Young

**Against:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Pouwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Rogers

**Absent:**

Councillor Wi Neera

Majority Vote: 9:8

**Carried**

Clause 11A

**For:**

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor McNulty, Councillor Pannett, Councillor Randle, Councillor Young

**Against:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Rogers

**Absent:**

Councillor Wi Neera

Majority Vote: 7:10

**Lost**

The hui adjourned at 1:53pm and returned at 1:58pm with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Geordie Rogers, Mayor Whanau, and Councillor Young.

(Councillor McNulty left the hui at 2:08pm.)

(Councillor McNulty joined the hui at 2:11pm.)

## Moved Mayor Whanau, seconded Councillor Apanowicz, the substantive motion

### Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. **Receive** the information.

#### *LTP Amendment*

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3. **Agree** to consult on the options for Begonia House, the Karori Events Centre and Paneke Pōneke bike network programme as outlined in the body of the report and included in the draft CD appended as Attachment 1, with the following changes:
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  - b) Request officers work with Friends of Begonia House to support public fundraising efforts that could enable further improvements to be made to Begonia House.
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#### *2025/26 Annual Plan*

5. ~~Note that additional funding was requested by Wellington Water Ltd for 2025/26 (and out-years) and that officer advice will be provided ahead of the committee meeting on 13 February.~~ **Agree** additional funding that was requested by Wellington Water LTD be debt funded and comprises:
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  - b) \$25m capex for 2025/26
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9. ~~Agree to provision \$11.1m for edge protection of the Waterfront in 2025/26, with a business case to be provided to elected members for consideration and approval prior to the edge protection works being undertaken.~~ **Note** that the coronial inquiry into death of Sandy Calkin will be published in the coming months and is likely to recommend Wellington City Council improve the standard of edge protection around sections of the waterfront.
- a) **Agree** that before final decisions are made on edge protection, officers will provide Elected Members with advice on options, including health and safety requirements, and undertake a public consultation process.
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10. **Note** that the above recommendations result in a rates increase for 2025/26 of 12.2% (after growth, including sludge levy).
11. **Note** that the budget currently reflects a rates increase of 13.8% (after growth, including sludge levy) as options for funding cost pressures have not been included.
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15. **Agree** 2025/26 proposed Fees and User charges as outlined in the body of the report and the draft CD (Attachment 1), **with the following changes:**
- a) **Change 5.1.1 Swimming Pools - Child Swim, proposed fee change Annual Plan 25/26 from \$4.20 to \$4.**
  - b) **Recommend this cost be offset at Officer discretion.**

*Report back to committee*

16. **Note** that the committee requested further advice and information on:
- *Council art collection* – note officers’ feedback, outlined in the body of the report (and Attachment 13), on the future of the Wellington City Council’s (WCC) art collection. This includes options for partial sale of the collection as well as options for providing greater public access, as requested by the Committee at its 17 December 2024 meeting.
  - *Fully funding operating costs* – note officers’ advice, outlined in the body of the report) on the impact and options for fully funding operating costs.
17. **Agree** that a formal policy be developed on Carbon Credits to inform future decisions on divestment of Carbon Credits as outlined in the body of the report (‘Discussion section this report as well as Attachment 9).

17A. **Request** that, before 30 June 2025, officers provide further advice / policy position on the sale of WCC carbon credit holdings and undertake a review of Council's accounting treatment and management of its carbon credit activities.

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18. **Note** that consultation collateral on water reform options agreed by LTPFP Committee on 11 December 2024 is being prepared and will be included in the CD ahead of formal consultation starting.
19. **Note** that the Local Water Done Well reform consultation options will not be audited which is in line with the provisions of the Local Government Act (Water Services Preliminary Arrangements) 2024.
20. **Note** that the LTP Amendment budget has been updated to reflect the preferred water reform option so that the financial impact of the preferred option over the remaining years of the LTP is visible.

#### *Revaluation and General Rates Differential*

21. **Note** the impact of the 2024-25 City-wide revaluation on property values.
22. **Note** that we will maintain our current general rates differentials.

#### *Consultation Document, supporting information and consultation process*

23. **Note** that the draft CD (Attachment 1) and supporting information has been prepared based on decisions agreed at the 26 November and 17 December 2024 LTPFP Committee meetings.
24. **Note** that public consultation is scheduled for 20 March to 20 April 2025 and the Special Consultative Procedure prescribed under the LGA 2002 is required to be used.
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25A. **Agree** to increase the number from one to two drop-in sessions per ward for LTP/Annual consultation ensuring a more balanced geographic spread to encourage participation for those requiring in-person interaction.

- 25B. **Agree** to include in the Consultation Document a clear graphic to aid public understanding of the growth of the Council's debt levels and operational expenditure since the previous Long-Term Plan in 2021 was agreed through to the current plan (2024-2034) plan by providing:
- i. Council's debt levels and its trajectory for the period 2021 to 2034 including the impacts of the current options to manage insurance risk including in the LTP amendment.
  - ii. Council's annual operational expenditure budget and its trajectory for the period 2021-2034

26. **Recommend**, on the advice of the Crown Observer, that Te Kaunihera o Pōneke | Council approve the draft Consultation Document for audit attached as Attachment 1 and associated documents (attachments 2-14), incorporating amendments carried at the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting of 13 February 2025, and including:

- 2024-34 LTP Amendment
- 2025/26 Annual Plan

27. **Note** the supporting information for audit, with consequential LTP Amendment tracked changes, included in Attachments 2 – 8.

*Audit and next steps*

29. **Note** that Audit NZ will audit the draft Consultation Document and supporting information (LTP Amendment elements only), and this may result in further changes. Any changes from Audit NZ will be reported to LTPFP Committee on 18 March 2025 when the final Consultation Document and supporting information will be approved for consultation.

30. **Recommend** that Te Kaunihera o Pōneke | Council agree to delegate the Chair and Deputy Chair of Long-term Plan, Finance, and Performance Committee, and the Chief Executive to make minor editorial changes and updates to the CD and supporting information to reflect committee decision-making and as part of finalising the material for Audit NZ review.

31. Request officers report back on the Town Hall project before the end of the financial year and determine whether there are any savings that could be used to offset the costs of Begonia House and waterfront edge protection budgeted in the LTP and Annual Plan.

- a) Note that this resolution supersedes resolution 20.3.11 to use unspent Town Hall budget on water capex, as WWL's funding request for 25/26 is supported in full and the Council's preferred option for water reform means future budgets may not include water funding.

**Carried**

**Secretarial note:** Voting was taken in parts. All clauses carried. A division was called for, voting on which was as follows:

Clause 1

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 2

**For:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Abdurahman, Councillor Calvert



**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clause 3

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 3a

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Deputy Mayor Foon, Councillor Matthews, Councillor McNulty

**Absent:**

Councillor Wi Neera

Majority Vote: 13:4

**Carried**

Clause 3b

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 3c

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

**KŌRAU TŌTŌPŪ | LONG-TERM PLAN,  
FINANCE, AND PERFORMANCE  
COMMITTEE  
13 FEBRUARY 2025**

Clause 4

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 5

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Pouiwi Kelly

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clause 6

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Councillor Free, Councillor Pannett, Councillor Randle

**Absent:**

Councillor Wi Neera

Majority Vote: 13:4

**Carried**

Clause 7

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Chung, Deputy Mayor Foon, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Rogers, Councillor Young

**Against:**

Councillor Calvert, Councillor Free, Councillor Pannett, Councillor Randle

**Absent:**

Councillor Wi Neera

Majority Vote: 13:4

**Carried**

Clause 8

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Free

**Absent:**

Councillor Wi Neera

Majority Vote: 16:1

**Carried**

Clause 9A

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Pannett

**Absent:**

Councillor Wi Neera

Majority Vote: 16:1

**Carried**

Clause 9B

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Rogers

**Against:**

Councillor Brown, Councillor Chung, Pouiwi Kelly, Councillor McNulty, Councillor Randle, Councillor Young

**Absent:**

Councillor Wi Neera

Majority Vote: 11:6

**Carried**

Clauses 10, 11, and 12

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

**KŌRAU TŌTŌPŪ | LONG-TERM PLAN,  
FINANCE, AND PERFORMANCE  
COMMITTEE  
13 FEBRUARY 2025**

Clause 13

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Young

**Against:**

Councillor Calvert, Councillor Randle

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clause 14

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Young

**Against:**

Councillor Randle

**Absent:**

Councillor Wi Neera

Majority Vote: 16:1

**Carried**

Clause 15

**For:**

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers

**Against:**

Councillor Abdurahman, Councillor Young

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clauses 16, 17, and 17A

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 18

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Pannett

**Absent:**

Councillor Wi Neera

Majority Vote: 16:1

**Carried**

Clause 19

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Pouiwi Kelly

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clause 20

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Councillor Free, Councillor Pannett

**Absent:**

Councillor Wi Neera

Majority Vote: 14:3

**Carried**

Clause 21

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

**KŌRAU TŌTŌPŪ | LONG-TERM PLAN,  
FINANCE, AND PERFORMANCE  
COMMITTEE  
13 FEBRUARY 2025**

Clause 22

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Councillor Randle

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clauses 23 and 24

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clauses 25, 25A, and 25B

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown, Pouiwi Kelly

**Absent:**

Councillor Wi Neera

Majority Vote: 15:2

**Carried**

Clause 26

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clauses 27, 29, and 30

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

**Absent:**

Councillor Wi Neera

Majority Vote: 17:0

**Carried**

Clause 31

**For:**

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouwi Hohaia, Pouwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Young

**Against:**

Councillor Brown

**Absent:**

Councillor Wi Neera

Majority Vote: 16:1

**Carried**

## **2.5 Decision register updates and upcoming reports**

**Moved Councillor Matthews, seconded Councillor Apanowicz**

**Resolved**

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the information.

**Carried**

The hui concluded at 2:45pm.

Authenticated: \_\_\_\_\_  
Chair

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# Ordinary Meeting of Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee

## Minute item attachments

9:30am Rāpare, 13 Huitanguru 2025  
9:30 am Thursday, 13 February 2025  
Ngake (16.09), Level 16, Tahiwī  
113 The Terrace  
Pōneke | Wellington

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### Business

### Page No.

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#### 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document

- |   |   |
|---|---|
| 1. Amendment to published fees in attachment 12 | 2 |
| 2. Tabled Q&A document                          | 3 |



Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Meeting

9.30 am Thursday, 13 February 2025

**Amendment to published fees in Attachment 12 (Proposed changes to user fees and charges) in the 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document**

Some previously published fees in our table of proposed changes to user fees and charges for Recreation Centres were incorrect. The revised fees are noted below (Note: Fees are inclusive of GST):

Activity Group	Name of Fee	LTP 24/25 Fee (\$) (previous year)	Proposed fees change AP 25/26 (\$)
5.1.4 Recreation Centre	Kilbirnie Rec - Inflatable	70.00	72.00
	Kilbirnie Rec - Private Hire & Tinytown	320.00	330.00
	Kilbirnie Rec - Recreation Coordinator	50.00	51.50
	Kilbirnie Rec - Roller Disco Adult	13.00	13.50
	Kilbirnie Rec - Roller Disco Adult with Skate Hire	16.00	16.50
	Kilbirnie Rec - Roller Disco Child	10.50	11.00
	Kilbirnie Rec - Roller Disco Child with Skate Hire	13.00	13.50

# Questions & Answers

## Kōrau Tōtōpū| Long-Term Plan, Finance, and Performance Committee

**Rāpare, 13 Hui-tanguru 2025 (Thursday, 13 February  
2025)**

### Complete Question and Answer

#### 2.1 Te Toi Mahana Quarterly Performance Report

**Q1. Clause 18 -advise who is on the MMDF committee and how WCC provides governance and ensures accountability?**

A –The MMDF Committee is enabled by the Lease and other Agreements between WCC and Te Toi Mahana. The MMDF Committee has an agreed Terms of Reference that articulates levels of governance and accountability. The Committee comprises three (3) representatives from each organisation.

- The WCC representatives are:
- Chief Financial Officer;
- Manager, Property & Capital Projects; and
- Chief Advisor, Chief Executive’s Office
- The Trusts representatives are:
- Chief Executive;
- General Manager, Corporate; and
- Property Advisor.

**Q2. Clause 19 refers to operational costs being paid. Please advise how this reconciles with the operational costs funded by Council**

A - The operational costs of the Trust relate to their *operating budget* as a separate entity. Operational costs funded by Council relate to the *costs of ownership of the assets* such as rates and insurance.

**Q3. Clause 21 Where are surplus funds applied and how can WCC use this to offset operational costs?**

A - The MMDF is a ring-fenced fund and as such, any surplus may be applied to costs associated with maintaining the housing portfolio only. Any decisions on the use of the MMDF are made in partnership with Te Toi Mahana, as per the requirements of the MMDF Terms of Reference and aforementioned Agreements between the organisations.

Through the Agreements, WCC has ultimate decision-making power on any expenditure from the Fund. MMDF Expenditure is authorised by the WCC Chief Infrastructure Officer

**Q4. Why are there no recommendations from officers other than to receive the report?**

A - The following recommendations are made in the TTM report.

Taunakitanga | Officers' Recommendations

Officers recommend the following:

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the Te Toi Mahana Quarterly two (Q2) Performance Report

The WCC Quarterly report provides governance focused information on the previous quarter performance. It assists Elected Members in their whole of organisation performance monitoring role providing an opportunity to clarify and guide the organisation's delivery of the programme in the LTP - based on year-to-date performance. While the report does refer to specific operational actions and risks being managed (e.g. for significant projects) the Quarterly report is not in general a decision-making report. The emphasis is on providing Elected Member with a suite of information to enable dialogue and inform future decisions.

## 2.2 Quarter 2 Report FY24/25

### **Q5. Pg 52 - what actions is being taken in respect of the low achievement of the Capital Expenditure Budget (ie only at 68% of budget YTD)?**

A – Throughout the year we reforecast what we expect to spend by the end of the financial year. As part of finalising the Annual Plan/LTP, we review any forecasted underspend and where necessary look to carry forward and rephase any required budget. In addition, the Capital programme has portfolio of multi-year projects with large capital spends which are managed against their whole-of-life delivery programme. It is not unusual for there to be fluctuations to phasing in the delivery timeline for significant multi-year projects that impact the total capital programme YTD result. Any underlying risks or issues driving both specific timeline movements and / or the overall timeline trend are pro-actively monitored and managed through project management and governance structures. This includes any use of budget contingencies and impact of corrective actions. In addition to the significant project progress information in the Quarterly report, periodically the Council’s Audit and Risk Committee has oversight of the Council’s overall project management infrastructure.

### **Q6. Pg 55 - Why is Housing Upgrades showing as Green when it is behind schedule?**

A - The overall health of the programme is considered to be ‘Green’ because:

- Whilst there is an underspend in FY25/26, the overall programme schedule is still on track to be delivered within the expected timeframe.
- The initial forecast costs for HUP 2, included in the Long-Term Plan (LTP), were developed prior to detailed planning and feasibility assessments that has since taken place which has resulted in a requirement to re-phase budget.
- Tranche 1 – Priority Projects are active, and tracking well against scope, cost, programme and risks.
- The estimated costs and subsequent budget identified for the overall HUP2 Programme is within the 2023/24 LTP budget – detailed in the Programme Business Case to be provided.
- The recommended option for delivering the Programme would comply with the *Deed of Grant* (This will be detailed in the Programme Business Case to be provided)
- The recommended option for delivering the Programme delivers the best ‘Whole of Life-Cycle’ value – detailed in the Programme Business Case to be provided later.

**Q7. Given 32% underspend on capital program YTD, is there a projection for where we may land at EOFY and what \$ figure would this represent?**

A – Currently forecasting an underspend of 15% which equates to approximately \$104m

**Q8. 5/7 KPIs were not met in economic development due to data phasing issues, what's the plan to address the phasing issues for the long-term so accurate performance of this area is better captured in the quarterly reporting?**

A - There is a combination of both phasing and data lag involved. While we will be reviewing the target phasing in Q3 to better represent when the activity occurs during each quarter there is still a data lag issue for some KPIs. Data lag is due to timeliness of receiving and then evaluating data from event providers, such as major economic event reports for WOW and CricketNZ.

We are closely monitoring performance on a quarterly basis and at this point of time we do not have any concerns for the 5 KPIs which did not meet their target this quarter.

**Q9. Paragraph 10 states “Reporting for the first time this quarter is non-financial performance against Taituāra service dimensions”. What are the “Taituāra service dimensions” and from where do they originate?**

A -Taituarā - Local Government Professionals Aotearoa - provides best practice guides for local government performance reporting. The use of the eight service dimensions to gauge performance for LTP service delivery is an element of this best practice. The service dimensions are: Quality; Reliability; Responsiveness; Accessibility; Affordability; Safety; Sustainability; Client satisfaction.

***On page 56 of the agenda is a chart of project risks.***

**Q10 - What does it mean when a project is at Critical Risk for schedule risk?**

A - As below

**Q11 - What does it mean when a project is High Risk for schedule risk?**

A - As below

**Q12 - What does it mean when a project is at Critical Risk for budget risk?**

A - As below

**Q13 - What does it mean when a project is High Risk for budget risk?**

A –As below

A – Q10-13 responded to as one below

The project risks chart shows the number of open critical and high project risks against current significant projects. Individual projects will have multiple open risks at any point in time, some of which are rated as critical or high. A risk is rated as ‘critical’ or ‘high’ based on a combination of the assessed likelihood and consequence of the risk to the project as per the table below.

**RISK RATING MATRIX**

		LIKELIHOOD (PROBABILITY)				
		1. Rare	2. Unlikely	3. Possible	4. Likely	5. Almost Certain
IMPACT (CONSEQUENCES)	5. Catastrophic	Medium	Medium	High	Critical	Critical
	4. Major	Low	Medium	Medium	High	Critical
	3. Moderate	Low	Low	Medium	Medium	High
	2. Minor	Very Low	Low	Low	Medium	Medium
	1. Negligible	Very Low	Very Low	Low	Low	Medium

The ratings for a specific project risk will be relevant to the particular circumstances of the project, but overall WCC guidance for assessing schedule and budget risk impacts are that catastrophic or major impacts would broadly relate to time or budget increases of 50% or more, or 20% to 50% respectively.

**Q14. On page 94 Outcome 3: A business friendly city has the status of green. Why is this status green when business has such little confidence in the Council’s plans and decisions (as evidenced by feedback from the Wellington Chamber of Commerce and other business related groups)**

A –The health status relates to the implementation status of the strategy and progress against priority actions, including building business relationships and supporting small businesses via WellingtonNZ. We continue to closely monitor the status and associated actions.

**Q15. On page 97 Outcome 6: A dynamic heart and thriving suburban centres has the status of green. Why is this status green when the recent quality of life survey showed Wellingtonians are struggling and it is clear the Wellington economy is in trouble?**

A - The health status relates to the implementation status of the strategy progress against priority actions detailed in the strategy, and these remain positive. The status also reflects a longer-term outlook taking into account initiatives and activities to support future growth, including ongoing infrastructure projects, investments and revitalisation initiatives.

### ***Governance and Executive Accountability***

**The report does not outline clear actions by the Executive to address key performance gaps.**

**Q16. Can the Executive provide a detailed action plan with specific deadlines to ensure accountability for underperformance?**

A –As below in Q18

**Q17. At what steps will be taken to improve transparency in reporting, ensuring that future reports contain clear action points rather than just status updates?**

A –As below in Q18

**Q18. Will a quarterly progress update be provided to the Council outlining corrective measures taken?**

A - As outlined in this report and the Q1 quarterly report, we undertook a councillor contributed review and have an on-going development programme to continuously improve the content and presentation of the quarterly report. The focus is to ensure the quarterly report fairly and accurately reflects the quarter's performance through a governance lens. As improvements come on stream they are detailed in the report. As part of our normal organisational performance monitoring, under performance or performance issues are managed and/or mitigated as appropriate.

### **Capital Expenditure Performance (Tracking at 68%)**

**Capital expenditure is significantly below budget, with key projects such as the Housing Upgrade Programme (HUP 2) and Sludge Minimisation experiencing delays.**

**Q19. What corrective actions are in place to ensure these projects progress according to schedule?**

A – As below in Q21

**Q20. What is the risk of further slippage, and what measures are being taken to mitigate these risks?**

A – As below in Q21

**Q21. Has the Council reviewed procurement and project delivery processes to address inefficiencies contributing to delays?**

A- Response to questions 19-21: We track all significant and priority projects and give accurate progress reporting. Further details of this are noted in the Reports' Appendix 2. While delivery is 68% of budget this is year to date only and the forecast is for delivery to reach 85% by year end. This is broadly in line with historical delivery.

Specific responses relating to HUP2 and Sludge minimisation below.

HUP2 Programme Structure reset is underway including governance groups – this is close to completion and with key roles now being filled such as senior project manager and rehousing lead. This will help the project move forward at pace but under a strengthened governance structure with refined programme and project management controls and more clearly defined roles and responsibilities.

The Programme Business Case for the remaining Tranches is being developed and is due to come to Council in April 2025.

The initial LTP estimated costs for HUP 2 preceded detailed planning and feasibility assessments. This work has now been undertaken, the preferred scope for approximately 50 projects has been identified, phased, and the forecasted annual spend updated.

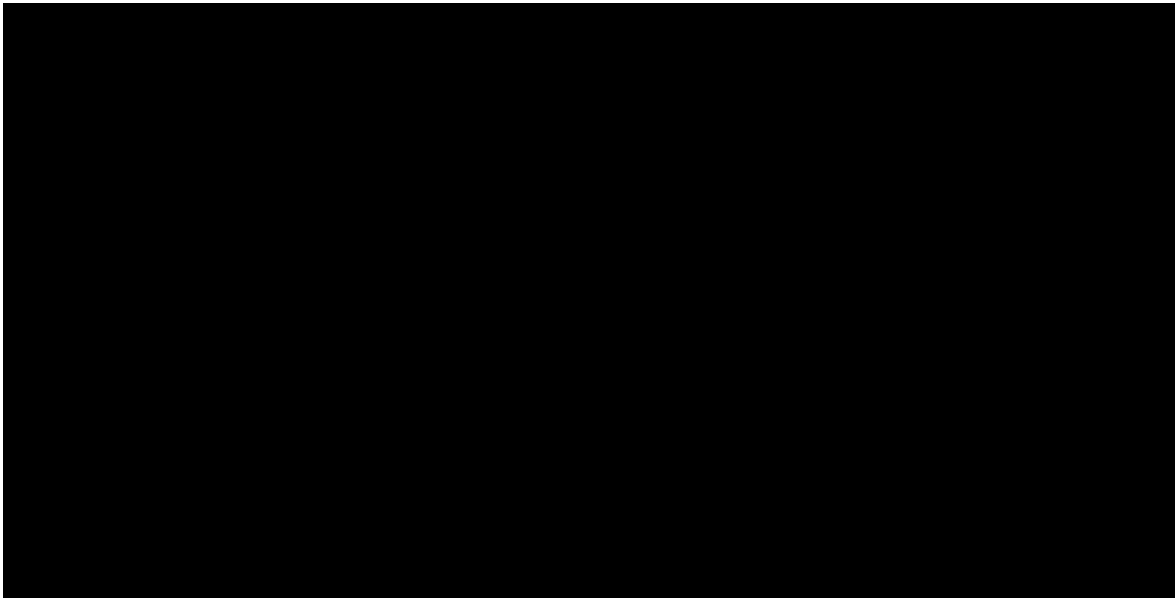
While the capital spend for 2024/25 is tracking / forecast to lower than what was in the LTP, the overall programme duration and forecast end date remain unchanged. We expect that the intended housing upgrades are still delivered within the planned timeframe. The programme business case is set for approval



later this year and will establish a revised forecast baseline that reflects the refined project scope and updated phasing.

With a complex programme such as HUP2 there are a number of risks which may impact the delivery schedule. [REDACTED]

[REDACTED]



### ***Financial Management and Budget Performance***

**Q22. With capital spending under budget, will these funds be rolled over or reallocated to other priority areas?**

A – For multi-year projects where there are capital underspends, decisions to carry forward the underspend to subsequent years are actioned through a quarterly report supporting paper for the LTPFPC decision.

**Q23. Given lower-than-expected revenues from NZTA grants and other sources, what contingency plans are in place to mitigate financial risks?**

A – These mitigation options were presented to the Committee in December 2024 and the resulting decisions have informed the draft budget in this agenda.

**Q24. The \$20 million capital budget adjustment for the Sludge Minimisation project raises concerns—how does this align with initial budget expectations?**

A – This is in line with initial budget expectations and the overall project budget envelope has not increased. The request for increasing the current financial year's budget by \$20m is that the project has moved from P50 to P80 - increasing the level of certainty of spend in the current year.

### ***Strategic Priorities and Value for Money (Pages 87-88)***

The strategy section suggests that greater government intervention is needed, yet Council continues to allocate significant resources to these initiatives (note this is also a risk highlighted in the LTP budget paper).

**Q25. Has a cost-benefit analysis justified continued investment at current levels? Has the Council explored alternative emerging funding options (e.g., public-private partnerships) to reduce reliance on ratepayer funds?**

A – as below (Q26.)

**Q26. How is the Council measuring the effectiveness of strategic initiatives to ensure funds are used efficiently?**

A – Continued investment at current levels reflects the Council’s previous decisions. The delivery effectiveness of the initiatives is reported on in the strategic activity section of the report.

### ***Risk Management and Strategic Oversight***

**Q28. Are there any major financial risks that could impact Council’s ability to meet its long-term commitments?**

A –As below in Q30

**Q29. Given inflationary pressures, how will cost escalations in key projects be managed?**

A –As below in Q30

**Q30. Should there be a recommendation from this report to feed into an adjustment of the long-term financial planning assumptions given current financial and capital performance trends?**

A – The Council is legislatively required to put forward a financially sustainable plan. A key focus for the 2024 LTP was a focus on financial prudence – partly enabled by the proposed sale of the airport shares. The LTP amendment is now considering alternative ways to achieve this. This is driving the key options for consultation with the community.

Inflationary indices are built into the LTP assumptions from industry norms and are regularly reviewed.

The updated significant forecasting assumptions are also part of the LTP Amendment, for Committee review. The Audit and Risk Committee regularly receive reports on key strategic risks.

## 2.4 2024-34 LTP Amendment and 2025/26 Annual Plan Consultation Document

### ***Begonia House***

#### **Q31. What are the estimated annual OPEX costs of continuing to run Begonia House under options C and E?**

A – The Indicative Business Case (IBC) estimated annual OPEX Costs for options c and e are as follows:

Option C - \$0.37m p.a (Net)

Option E - \$0.2m p.a (Net)

Below are the assumptions from the IBC that underpin these estimated costs.

#### *Assumptions*

For the purposes of the net annual operating cost model, the following assumptions have been made:

- Staff and overheads: allowance for 1 staff and 50% decrease in overheads for Option B. 25% increase in staffing costs for Option F. All other options assume no change.
- No change to materials costs.
- Cleaning costs scaled according to gross floor area of proposed option.
- Utilities costs assume Option D, E, F, switch to only electricity. Costs scaled according to gross floor area of proposed option.
- Current repairs and maintenance (R&M) unit rates are deemed to be very high due to the vast amount of life-expired assets. R&M costs are scaled according to gross floor area of proposed option, and adjusted by 50%, 70%, and 90% unit rate decreases in Options D, E, and F, to reflect renewed and improved assets.
- Uplift in events bookings to reflect upgrades and expansion of events space. Uplifts are 10%, 23%, and 27% respectively for Options D, E, and F.
- Uplift in café lease to reflect upgrades and expansion of café/kitchen space. Uplifts are 29%, 66%, and 31% respectively for Options D, E, and F.

There is currently a low level of confidence in these operational cost estimates however for the purpose of comparing options they are considered appropriate at the IBC level of analysis.

With the exception of Option E there has been no ROC for construction of the options and the amounts were estimated based on relative scale to guide discussions during the options assessment workshop.

Table 7. Summary of the multi-criteria assessment.

	Option A	Option B	Option C	Option D	Option E	Option F
<b>Investment objectives</b>	0%	23%	53%	78%	90%	90%
<b>NPV<sup>6</sup> Cost (10 Years)</b>	\$1.0m	\$8.5m	\$12.8m	\$17.6m	\$19.7m	\$24.7m
Capital	\$1.0m	\$9.0m	\$11.0m	\$17.5m	\$20.0m	\$25.0m
Net Annual Operating	\$0	\$43k	\$369k	\$222k	\$198k	\$256k
<b>Risks</b>	H	H	L-M	L-M	L-M	M
<b>Business needs</b>	L	L	L-M	M-H	H	M-H
<b>Overall assessment</b>	5	6	4	2	1	3
<b>Weighted score</b>	40%	34%	55%	63%	69%	57%

<sup>6</sup> Net present value (NPV) is the difference between the present value of cash outflows over a period of time.

**Pages 246-254 Capital Programme consultation matters**

**Page 257 – Annual Plan consultation matters**

**Q32. Throughout the draft consultation document there are various topics where feedback is sought across different sections. Would you please advise how officers are considering making it clearer and easier for the public to comment and grouping everything together**

A – The Consultation Document is made up of three sections and this is outlined on Agenda page 228. We are working with the Creative & Brand team to identify ways to use design elements to guide the reader through the document and highlight where the points are they can give feedback on.

However, we are also aware that most of the public consume the information first through the consultation website. This will be set up to group together the information we are seeking feedback on in a more direct way - similar to the LTP website from last year.

The submission form and online survey will provide links to where more information can be found on the website and the consultation document, meaning the submitter can pause and read more information if required.

**Q33. Clause 197 – how does the statement of clear communication align with the consultation document given the fragmented display of options on various matters eg Pages 246-254 and 257**

A - The LTP Amendment and the Annual Plan are separate sections of the document. It is important to have the separation due to the Audit requirements of the LTP-Amendment. The Audit opinion will cover only the LTP Amendment sections of the Consultation Document and not the Annual Plan or Water Reform. This means we are unable to combine all the information we are seeking feedback on in one place in the document. This is consistent with how the Annual Plan 2022/23 and the LTP Amendments on City Housing and the Southern Landfill were combined:

[https://www.letstalk.wellington.govt.nz/download\\_file/view/1271/686](https://www.letstalk.wellington.govt.nz/download_file/view/1271/686)

**Clauses 198, 200, 209, 210 – Please advise what specific impacts there are following the change in the capex programme and on what projects including any costs.**

***Māori Impact Statement***

**Q34. 198. The proposed changes to the capital programmes may impact the delivery of some of Council’s Tūpiki Ora Māori Strategy action plans that enables Council to deliver on the LTP priority ‘celebrate and make visible te ao Māori across our city such as the actions to support climate change and supporting Māori, mana whenua and affordable housing.**

**200. The LTP amendment further may also impact the Tākai Here partnership agreement. The possible impacts of the LTP amendments include:**

- **Changes to agreed commitments, timelines and deliverables;**
- **Fewer resources available in the near term to support the commitments under the Takai Here partnership;**
- **Possible realignment of the partnership's expectations / objective to a changed capital programme; and / or Item 2.4 Page 223**
- **Preservation of the partnership commitments and expectations in light of any changes**

A – Tūpiki Ora and Tākai Here are strategic in nature and cover all of Council business, and therefore, broad based changes to the existing LTP as being proposed through the LTP Amendment will be interest to our mana whenua.

Examples of projects that deliver toward Tūpiki Ora strategy and action plan but are impacted by the Amendment are below:

1. Housing Upgrade Programme
  - Housing Upgrade: This project falls under the Tūpiki Ora work programme with Action 4.1.2, aiming to develop housing initiatives that prioritise placing whānau Māori into quality, safe, warm, and affordable housing. While the programme is being rephased and rescopeed, it remains a key component of the current work plan. Housing is also a priority identified by the Tākai Here Leaders Forum, further underscoring its importance.
2. Climate Change Impacts: Support climate change efforts through increasing access and improving partnerships between mana whenua, Māori and key players (including the Council) who are advocating for climate change solutions, human behavioural changes and actions towards a more sustainable future (tiakina te taiao: Long term action)
  - Working on the premise that improved partnership around climate change solutions requires meaningful and regular mana whenua engagement, and necessity to consider and address climate change around wai, whenua and hau, the LTP amendment may reprioritise these actions whereby these are unable to be achieved.
3. Te Awe Māpara
  - Te Awe Māpara: This project includes a short-term action to investigate the provision and funding of marae, Māori spaces, and kaupapa Māori activities. This action has already been postponed to Year 2 of the programme, and any further rephasing could result in additional delays.

### ***Disability and accessibility impact***

**Q35. 209. Projects that aim to improve the city's accessibility for people with disabilities or meet accessibility requirements may be impacted by changes to the capital programme.**

A - All relevant projects aim to improve the accessibility of our city and despite any impacts of funding decreases we will consider accessibility in line with the Transport hierarchy, which puts pedestrians first, and adherence with accessibility requirements under the building codes.

## ***Climate Change impact and considerations***

### **Q36. 210. Projects that will help meet our emission reduction target may be impacted by capital programme change.**

A - We have not calculated the specific climate change impacts of the amended capital programme. Note that with slower implementation of transport transformation will slow down emissions reductions for the city.

### **Q37. Consultation and Engagement- Why are there not more drop-in sessions per ward i.e. two?**

A - The Local Water Done Well Water Reform, LTP Amendment, and Annual Plan Consultation Communications and Engagement plan uses a multi-channel approach to enhance engagement reach, accessibility, and efficiency. The plan has been built around available resourcing levels and includes sixteen engagements over the four-week consultation period, offering various ways for the community to interact with the Council, including:

- One drop-in session in each ward (six in total).
- Targeted hui:
  - Advisory Groups
  - Business Improvement Districts
  - Community Boards
  - Wellington Residents' Association Network
  - A multi-cultural forum
  - Citizens' Assembly
  - Three youth engagement activities
  - Local Water Done Well Water Reform (TBD- with our partner Councils)

To supplement the above, the plan also includes:

- A City-wide mail drop
- A series of emails to stakeholder lists (over 11,000 recipients)
- Digital 'key topics' video series for social media
- Newsletters
- A multi-channel promotional campaign
- Hardcopy materials at Council facilities
- An interactive Q&A function on our Let's Talk page



**AP Fees:**

**Q38. What is the projected increased revenue from increasing the cost of child swim entry from \$4 to \$4.20?**

A – Additional income from children fee increase from \$4.00 to \$4.20 is \$29,000.

For context WCC is currently a lower price for a Child Entry compared to our neighbouring Council's, this is before any price increases for 2025/26:

Hutt City = \$5.00

Porirua City = \$4.20

Upper Hutt = \$4.50

**Q39 - Similar in regards to Swimwell infant fees from \$14.50 to \$15.50?**

A - Increase cost of SwimWell infant and pre-school (0-5 years) fees from \$14.50 to \$15.50 a lesson is \$40,000 additional income. SwimWell cost increases are primarily to cover the increase in costs of delivering the service.

**Q40. Health licensing verification fees have had a significant increase, quick outline and justification please**

A - The increase is in line with the overall % increase approved last in 2024/34 LTP. Food Act verification fees have not increased since they were first set when the Act came into effect in 2014.

**Q41. Alcohol licensing fees are increasing by 20%, some rationale or justification please and a approximate breakdown of number of venues for each of the risk categories**

A - Fee increase approved in the original 2024/34 LTP but could not be implemented as we had to amend the Bylaw before the increases could take legal effect. This is being done via the annual plan process. The breakdown of venues by risk categories is as follows:

- Very High 2
- High 92
- Medium 337
- Low 234
- Very Low 47

**Q42. Why have there been no increases to animal control infringements?**

A - Infringements are set by regulations as part of the Dog Control Act and NOT at the discretion of Council to increase or amend.

**Q43. Are the significant increases in structural check and additional charges likely to have an impact on viability of building developments? How many hours approx. is an average resident/commercial development likely to require?**

A - Structural consents processing timeframes range depending on complexity. Based on the last six months these consents have taken from 13 (minimum) to 30 days (maximum) to process. The statutory time frame target is 20 days.

***Home energy saver***

**Q44. Page 574 home energy saver assessments. Have we ceased this service? If so, can this be amended please?**

A – Yes this funding was ceased and not included in the 2024-34 LTP. We will correct this in the document.

***Frank Kitts Park***

**Q45. Clarification if we need to correct this to what was passed please. The mayor's amendment at the last long-term plan meeting was**

*Frank Kitts Park redevelopment*

*Retain \$3m in years 1-3 for resource consent and preparation of Frank Kitts carpark demolition. Co-fund demolition of Frank Kitts Carpark and landscaping of southern end of the park in years 4-6 with the Fale Malae Trust, with Council's contribution capped at a \$5m.*

*Rephase \$15m to years 10+ the LTP for development of the northern section of Frank Kitts Park, including Chinese Garden.*

*These amounts are reflected in the LTP budgets, with the \$15m funding currently allocated to year 11 of the LTP (i.e. 2034/2035) as a placeholder. This does not show in the attachments as it falls outside the current LTP period.*

**In the CD on page 247 it says 11+years.**

A – We will update the CD to reflect the resolution. This was an error and can be corrected under the proposed delegation for editorial changes. Placeholder funding of \$15m is in Year 11.

**Q46. 521 - paragraph on Frank Kitts park needs clarifying and editing. Also, could we please make it clear about the timeline of the Garden of Beneficence?**

A – This can be changed under the proposed delegation for minor editorial changes

***Clarification on Cycleways / Water breakdown***

**Q47. What is the % spent of cycleways on the opex and cap ex of the transport budget**

A – The LTP budget refers to the 10-year budget for the 2024/25 year to the 2033/34 year.

The LTP amendment budget refers to the 9-year budget included in the LTP amendment for the 2025/26 year to the 2033/34 year. Therefore, the impact of changes to the 2024/25 budget are not reflected in the LTP amendment numbers below.

Please note that these percentages include both expenditure and revenue, and reflect the total **Strategic Activity area 7 – Transport**. This means these numbers also include parking activities.

	<b>Opex</b>	<b>Capex</b>
<b>LTP (adopted June 2024)</b>	6.05%	9.89%
<b>LTP amendment option 1</b>	5.67%	5.59%

**Q48. What is the % spent of cycleways on the % of the opex and capex of the infrastructure budget**

A – We are unclear what is meant by infrastructure budget and are therefore unable to provide the % requested. We are happy to update these numbers should further clarification be provided.

However, if Councillor is referring to the activities covered by the infrastructure strategy, we note that the removal of water from 2026/2027 onwards would significantly distort these numbers.

**Q49. What is the opex and capex % of what we are spending on water for the infrastructure budget**

A – We are unclear what is meant by infrastructure budget and are therefore unable to provide the % requested. We are happy to update these numbers should further clarification be provided.

However, if Councillor is referring to the activities covered by the infrastructure strategy, we note that the removal of water from 2026/2027 means that a % can be provided for year 1 only.

***Ecology***

**Q50. What is the role of the Ecology officer? And what is it they will be aiming to achieve?**

A – This is not a new position, it is a new fee that Council may charge for ecological advice during the consenting process. It will draw on existing team capacity where they are already providing advice with no charge or use external consultants to provide advice for more complex consents.

***Te Kopahau Reserve***

**Q51. Te Kopahau car park and entrance way, what is the budget and timeline to complete this?**

A – Budget:

\$50-\$100k - Design/initial engineering (24/25)

\$900k-\$1m - Construction (25/26 and/or 26/27)

Timeline:

July/August 2024 - Engage consultant/landscape designer (Complete)

Feb-May 2025 - Site meetings with direct neighbours/stakeholders

June/July 2025 - Draft concepts

November 2025 - Meet with stakeholders to review concept design

February 2026 - Finalising design, engineering spec, QS

March 2026 - Review QS & decide where funding sits for implementation (25/26 or 26/27)

May/June 2026 – Construction

**Q52. Is there \$ in the budget to work on finishing the Te Kopahau walking tracks?  
When is this work due to be completed?**

A – There is no funding specifically for track development.

We are planning to build the track (20a in the Te Kopahou Track Network Plan) that connects the carpark to mid-point on the tip track so that it's in place for the carpark opening - starting in 25/26.

We are planning to build two bridges on the Red Rocks track to replace one that was washed away 7-8 years ago, and a new one at the coast end of the track.

One is planned for construction in 25/26 and the other in 26/27.

In the years from 27/28 onwards we may look at undertaking further track development work as budget allows, depending on the renewal program

***Revaluation***

**Q53. After the Revaluation report is this the best time to be selling ground leases in Wellington? Ready for DM to send**

A – The Committee agreed in December that the proposed nine ground leases would only be sold if they achieved a combined value of \$68m across the nine sites. This \$68m is based on an investment valuation undertaken in July 2024. It is not based on recent ratings revaluations. We are confident we can achieve this overall sale price for the sites and, by having agreed a target figure, the Council has a level of protection to ensure that a good price is reached. Based on the conversations the team has been having with the market, early indications are that this \$68m is an achievable figure.

***Grants***

**Q54. Waste projects and expenses. Are there any changes planned to the investment in Waste education projects, particularly enviroschools?**

A - There has been no change to planned investment in the Enviroschools programme. Waste levy budget was allocated for a three-year period only, and this has been clearly communicated to Toimata Foundation. Our waste education projects and initiatives are currently under review to ensure alignment with strategic goals and objectives set out in the Zero Waste Strategy and local and regional WMMP. The Enviroschools kaupapa is about creating a healthy, peaceful, sustainable world. With our priority being to achieve council's zero waste goals, outcomes have shown that for schools, engagement is best delivered through the Zero Waste Education programme which is delivered by WCC's Waste Educator.

The Waste Minimisation team has several ongoing waste education initiatives. As well as Zero Waste Education, which targets primary schools and ECEs across Wellington, initiatives include promoting waste minimisation campaigns such as Love Food Hate Waste and Plastic Free July, bookable landfill tours and waste minimisation workshops and responding to waste queries from the public. We extend the reach of our education programme by developing relationships with, and engaging the services of, waste experts such as Organic

Wealth, KaiCycle (avoiding food waste, composting etc), Endo Warriors (Sustainable Period Education) and Kate Fenwick (Waste Free Parenting etc).

## **Waste**

### **Q55. Organics / Kai to compost/ Green Waste - To encourage diverting this waste have we considered making these process cheaper and increasing the price of general waste?**

A – Green waste disposal rates are already, and will continue to be, significantly lower than general waste rates to encourage diversion. We cannot make the composting process cheaper and our rates for green waste need to increase slightly to ensure service delivery costs are covered.

The per tonne rate and minimum charges for both general waste and green waste will increase by a small amount: minimum charges will be \$30 for general waste versus \$10 for green waste, with per tonne rates for general waste of \$267.38 (commercial) and \$304.30 (domestic) versus \$115 per tonne for green waste. With green waste still significantly cheaper than general waste, the incentive to separate is there.

Green waste disposal rates at Southern Landfill remain the cheapest across the region, with Spicer charging \$135.66 per tonne and Silverstream \$126.50 per tonne in the current 25FY, and we are the only TA who are producing a beneficial product with the organics received.

### **Q56. Waste Levy- How has the government increase in the levy transpired in the residential and commercial rates? Ready for DM to send**

A – The waste levy increase, from \$60 from July 2024 to \$65 from July 2025, has been factored in to both residential and commercial general waste rates. Both are increasing by 6% (to \$304.30 for domestic and \$267.38 for commercial) which includes the increase in waste levy charges.

### **Q57. Page 517 says landfill produces is 8-0% of city emissions. Is this still correct?**

A – This is a typographical error. Waste accounts for 77% of Scope 1 (which includes waste to landfill) & 2 emissions for the Council (which is what our target is set against).

**Q58. Page 536 - Waste water treatment budget line ceases after year 26. Will there be costs to run the new Sludge plant? And in what budget line will they be accounted for?**

A – Yes, the SMF facility will incur operational costs, and these will be paid by the new entity. Water related costs have been transferred to the new water services entity from 1 July 2026.

### ***Public Health***

**Q59. Is there a reason that Dog infringement fees are not increasing?**

A – Dog infringements are set down in regulation under the Dog Control Act so cannot be changed at Territorial authorities level

**Gambling consents- to clarify these are just for existing locations not new ones?**

A – Yes that is correct.

### ***Urban Development***

**Q60. Urban Planning Suburban town centres - from the description, it is not clear the direction that council is taking. I understood there would be investment in the middle ( \$5 mil) and end ( \$6Mil) of the plan. I think we could frame that to say that we are investing in our suburban centres and will do the work with the community to understand community and business needs. ( or something like that)**

A – Minor editorial changes to enhance accuracy can be taken care of under the proposed delegated authority.

## ***Fees and charges – Parking***

### **Q61. How does the parking in our Clifton terrace and Tory street compared to other parking buildings.**

A – Our current fees are largely in line with those charges by other operators that are nearby to either Clifton Terrace or Tory Street. In the Clifton Parking Area, we currently charge \$5 per hour up to a maximum \$24 per day for all day parking during the week and \$3 per hour up to a maximum of \$8 per day to park in that area in the weekends. In the Tory Street parking area, while there is some commuter parking, most customers are staying for just a few hours per parking session. The charges in that building for the parking the Council provides is \$5 per hour up to a daily maximum of \$40 per day during the week. In the weekend it is \$3 per hour up to a maximum of \$10 per day.

Private operator hourly rate fees can be higher than ours, but we had decided to align the hourly rate fees with those charged for on-street parking to encourage more people to park using off-street parking facilities as the availability of on-street parking reduces as the street space is progressively being reprioritised for other forms of transport.

### **Q62. Have we considered increasing the prices further and if we have not why not?**

A – The Council’s parking policy sets out how street space should be prioritised in different streets and areas of the city as well as when and how adjustments to both space available and pricing should be made. On this basis, staff have recently reviewed the parking related schedule of fees and charges and have not recommending increasing the on-street parking fees at this time as overall occupancy appears to have not recovered to the occupancy levels that were in existence pre-COVID, even with lesser number of on-street parks available. On-Street parking is typically utilised by those visiting businesses for a short period. However, we are recommending that off-street parking fees increase in line with CPI. This has been included in the draft fees and charges schedule.

### **Q63. How far away is our on demand parking system?**

A – The Council’s parking policy sets out how street space should be prioritised in different streets and areas of the city as well as when and how adjustments to both space available and pricing should be made. Demand based pricing would be implemented once the gap between occupancy and availability significantly closed. Current estimates are that the central city occupancy remains in the mid-range. Currently it is not planned that Demand Based Pricing would come into existence before 2027.



**Q64. How does on price of on street parking compare with private parking?**

A – There are a range of factors that influence the prices that are charged. These include location, the type of facilities being offered and the associated overhead costs. For the off-street parking that is located with walking distance of our Council operated car parks, pricing largely aligns.

**Q65. Have we considered increasing street parking? What are the reasons for not increasing the price of on street car parking?**

A – Please see Question 62 for response

***Water Reform***

**Paragraph 35. States “While Water Reform consultation documents are still being finalised, the LTP amendment and Annual Plan budgets, financial statements and other underlying documents have been updated to reflect the financial impacts of Water Reform.” The actual impact of this major change on the LTP and AP is difficult to understand:**

**Q66. What is the amount of two waters assets to be transferred to the new water entity?**

A – the total forecast value of assets to transfer is \$3.83b this is made up as follows:

- Waste Water \$1.6b
- Drinking Water \$1.08b
- Storm Water \$1.15b

These forecast asset values are based on current asset values, work in progress to be capitalised, forecast capex budgets, and forecast depreciation. This does not include the sludge minimisation facility.

**Q67. What is the amount of debt associated with the two waters assets to be transferred to the new water entity?**

A – Discussions with the proposed partner councils are continuing. The debt negotiation is being completed on an equity principal/ methodology basis which will leave Council with similar debt to revenue ratios after reform. A final number has yet to be formally agreed. For current modelling purposes the budgets have been created based on the above methodology. Councillors should note that the debt for the Sludge Minimisation Facility (SMF) will not transfer. Borrowing for the SMF was enabled via IFF and is considered off balance sheet funding for Council however the obligation to charge the levy to

repay the debt will remain with council and will not transfer to the new water organisation.

**Q68. What is the amount of stormwater assets and will they also be transferred to the new water entity?**

A – WCC will be consulting on the establishment of a three waters organisation – drinking, waste and stormwater. All assets, revenue, debt and liabilities associated with three waters service delivery would be transferred to the new water organisation, with the exception of the debt for the Sludge Minimisation Facility (SMF) - refer to above question/answer.

The value of stormwater assets that would be transferred is \$1.15b.

**Q69. What is the amount of debt associated with the stormwater assets to be transferred to the new water entity?**

A- The approach to the debt transfer is answered in Q67 – all three waters have been considered together and calculations have not been completed on an individual asset class basis.

**Q70. What is the assumption on how stormwater assets will be funded and what is the charge for 2026/27?**

A- At the 11 December 2024 LTP committee meeting, elected members agreed to take three options out to the community for consultation. All three options (a multi council CCO, a go alone CCO and the existing arrangements) are for three waters services. The multi council CCO is the preferred option. Based on this preferred option, ownership of stormwater (piped) assets will transfer to the new organisation; the current working timeline for the transfer is 1 July 2026. From 1 July 2026 all funding decisions will be the responsibility of the new organisation (assuming the preferred option is the confirmed delivery model).

**Q71. What is the amount of non-water assets to remain with the council**

A – Per page 419, Prospective Statement of Financial Position, Property, Plant & Equipment forecasted for 2026/27 post transfer of water assets is \$8.8b.

**Q72. What is the amount of debt associated with the non-water assets to remain with the council?**

A – The Council does not borrow on a project-by-project basis, it borrows to fund the capital programme as a whole. However, as at 1 July 26, the assumptions that have been used reflect that an equitable agreement for a water transfer has taken place, remaining Council debt of ‘non-water assets’ is forecasted to be approximately \$1.3b.

***Finance and budget***

**Q73. Paragraph 40 outlines the proposal to sell \$60 - \$70m in ground leases. What is the estimated annual revenue from these ground leases**

A - \$3.25m across the nine sites.

**Paragraph 45. states “*Council had set a headroom before consideration of water reform of \$1b. This equated to a debt to revenue ratio of approximately 200% (based on Council’s forecast revenues). In accounting for the water reform and removing a significant portion of Council’s asset base, this has a significant effect on Council’s financials. Given this change, it is recommended that the Council updates its borrowing limits at a debt to revenue limit of 200% rather than a fixed amount*”. Again, the revised Insurance Debt Headroom is difficult to understand with the removal of assets by the setup of the new water entity:**

**Q74. Can a copy of the spreadsheet calculations used to create the table in paragraph 46 be provided?**

A – Yes.

**Q75. What is the amount of Rates Revenue expected in the 2026/27 year?**

A – Per page 418, Prospective Statement of Revenue and Expense, Rates revenue \$456.1m. Note this includes penalties of \$1.25m.

**Q76. What is the amount that is 280% maximum borrowing limit based on the Rates Revenue expected in the 2026/27 year?**

A – For the debt to revenue ratio, income is defined as total revenue less development contributions, financial contributions, vested assets, gains on derivative financial instruments, sludge minimisation revenue and gain on sale of investments. Borrowings is comprised of total borrowings less cash and cash equivalents and Other Financial Assets.

For 2026/27 this is approximately \$2.01b

**Q77. What is the amount that is the recommended 200% maximum borrowing limit based on the Rates Revenue expected in the 2026/27 year?**

A – As above. For 2026/27 this is approximately \$1.48b

**Q78. What is the planned amount of debt at the start of the 2026/27 year?**

A – Closing net debt at 30 June 2026 is forecasted to be \$2.03b

**Q79. What is the planned amount of debt at the start of the 2027/28 year?**

A – Closing net debt at 30 June 2027 is forecasted to be \$1.52b

**Q80. What is the Insurance Debt Headroom expected in the 2026/27 year?**

A – At the LTP, Finance and Performance committee meeting on 26 November it was resolved to remove the allocation of insurance headroom within the debt to revenue ratio.

**Q81. What is the amount of uninsured assets (i.e. assets that are not covered by insurance cover or the Insurance Debt Headroom) expected in the 2026/27 year?**

A – Given the current market conditions we expect that we should be able to mitigate the effect of asset replacement value growth with additional insurance cover.

## ***Water and water reform***

**Paragraph 87 states “Any additional funding approved is proposed to be funded by debt and if this accepted there will be no further impact to the proposed rates increase of 12.2%”.**

**Q82. What is the estimated amount of funding, OPEX and CAPEX that Wellington Water has requested and officers recommend be funded from increased debt?**

A - Stage 2 advice from WWL recommends an increase of \$25m Capex & \$5m Opex. Officers recommend the full amount requested be funded.

**Q83. What will happen to this debt on the creation of the new water entity?**

A – With the establishment of the water organisation (CCO) all water assets, revenue, debt and liability will be transferred to the organisation. The exception to this is the SMF. Refer to earlier question/answer on exceptions to the transfer of debt. As the debt transfer is being agreed on a methodology basis the total figure for the calculation for debt to be transferred to the new water entity will be reassessed up until time of transfer any funding decisions regarding water that will be accounted for in our budgets will also be accounted for in that final calculation.

**Paragraph 96 states “The current estimate to establish a joint water organisation is \$15m, with these costs split proportionally across each of the relevant Councils, Council’s share of these costs will be 42.3% or \$6.35m”:**

**Q84. On what basis was the WCC share of the new water entity determined to be 40.3% 42.3% and who made this determination?**

A - Chief Executives across the original 10 councils involved in exploring a regional water services offering agreed to a cost share arrangement based on population share with GWRC contributing a set percentage. This arrangement has been in place for the phase one activities to date.

Phase two activities have begun with Chief Executives agreeing to continue to use the population-based methodology to attribute centralised costs.

**Q85. Has this proportion been agreed to by WCC and/or the other relevant councils?**

A - Chief Executives have agreed to continue the use of population-based methodology.

**Q86. Can a copy of the calculations for the proportionality of council’s share in the new entity be provided with the proportions for each council?**

A –

Council	Council proportion of total population with GWRC contribution	Split based on \$15m (\$m)
UHCC	9.1%	1.36
HCC	21.8%	3.26
PCC	11.8%	1.77
WCC	42.3%	6.35
GWRC	15.0%	2.25
<b>Total</b>	<b>100%</b>	<b>\$15m</b>

***Short-term accommodation provider policy***

**Q86. Paragraph 119 states “The changes to the short-term accommodation provider policy are set to be implemented for the 2026/27 rating year”. If this rating policy is implemented, can the next council reverse this decision for the 2026/27 year and, if so, how would this be done**

A - Yes, the next council could reverse the decision to apply the revised rating policy for short-term accommodation providers starting in 2026/27. This could be done by a council decision through the annual plan process. We do note though that this would mean that some implementation costs can’t be recovered.

***Waste***

**Last year the government announced a major reduction in its funding support for waste minimisation programmes. I understand that the council’s waste minimisation programme was part funded by this government funding:**

**Q87. What was the government funding contribution towards the waste minimisation programme?**

A- When waste is disposed of in a class 1 New Zealand landfill, a levy of \$60 per tonne is collected by the Ministry for the Environment (MfE) with a portion of the money allocated back to Wellington City Council, and other territorial authorities, based on population proportion. The change announced in the Budget 2024 was to the portion of the waste levy monies which sits with MfE, allowing some of it to be allocated to non-waste and core operational activities rather than purely activities achieving or promoting waste minimisation. There has been no change to the portion of the waste levy which territorial authorities receive, and no change to our waste minimisation programme as a result.

The Council is expected to receive approximately \$4.4M in MfE levy funds this financial year, and this money must be spent on promoting or achieving waste minimisation as set out in our Waste Management and Minimisation Plan.

**Q88. Was the amount of this funding changed following the government's announcement last year?**

A- See Q87.

**Q89. If the amount of government funding was cut, how did/does the council make up for the shortfall in this funding?**

A- See Q87.

## ***Bike Network Programme***

**Paragraph 178 outlines the costs and savings for three Options for the Bike network Programme:**

**Q90. What are the savings for Option 3 which is information missing from this section?**

A – As per para 178 – Apologies, there is typographical error in this paragraph.

- i. **Total cost:** \$36.5m (\$34.9m for Cycleways upgrades and \$1.6m for Cycleways Minor Works)
- ii. **Saving compared to 2024 LTP:** \$63.5m (including \$6.9m to compensate for loss of NLTP funded revenue)

**Q91. What are the savings for 2025/26 and 206/27 if the Bike Network Programme was postponed for two years?**

A – The amount that would need to be rephased based on the current adopted LTP inflated numbers is \$31.2m. This includes \$2.2m in Cycleways Minor Works and \$28.9m in Cycleways.

Based on the proposed amendment (Option 1) the amount that would need to be rephased would be \$19.1m (\$0.9m for Cycleways Minor Works and \$18.2m for Cycleways) as the programme has already been reduced through the Capital Programme Review process last year.

Note that there would be some organisational costs to wind down the programme for those two years.

**Paragraph 177 outlines that the loss of the NLTP funding has impacted the Bike Network Programme:**

**Q92. What was the original budget for the Cycleways Minor Works and what was the assumed contribution from the NLTP and from the council?**

A - The total LTP budget was \$12.1m inflated (\$10.9m uninflated), with \$6.1m assumed NLTP revenue for the full 10 year LTP period and \$1.7m assumed in the first 3 years of the plan. More detail on the changes to this budget is in the Capital Programme Review attachment for the 26 November committee.



**Q93. What is the recommended Option 1 budget for the Cycleways Minor Works activity and what is the assumed contribution from the NLTP and from the council?**

A – The new LTP budget is \$5.6m inflated (\$5.1m uninflated), a saving of \$6.6m. This includes the additional \$2.5m of savings resolved at the 26 November meeting. NLTP revenue of \$2m is assumed across years 4 to 10, in alignment with all Transport budgets.

**Q94. What is the Option 2 budget for the Cycleways Minor Works activity and what is the assumed contribution from the NLTP and from the council?**

A – Option 2 is proposing to retain as per the LTP budget - \$12.1m inflated (\$10.9m uninflated). With the Council funding the additional \$1.7m to compensate the revenue which will not be received from NZTA Waka Kotahi in years 1-3. This will increase the amount the Council needs to borrow to fund this project. NLTP revenue of \$2m is assumed across years 4 to 10, in alignment with all Transport budgets.

**Q95. What is the Option 3 budget for the Cycleways Minor Works activity and what is the assumed contribution from the NLTP and from the council?**

A – \$1.64m (inflated, \$1.61m uninflated) in years 1-3 and no NLTP revenue assumptions.

**Q96. What was the original budget for the Cycleways Minor Works activity and what was the assumed contribution from the NLTP and from the council?**

A – Assuming this is for Cycleways not a repeat of the above. The budget adopted in the LTP for Cycleways is \$99.0m (inflated, \$95.9m uninflated), with \$50.2m assumed revenue over the whole 10 years. The first three years had a budget of \$52.1m (inflated) from which we assumed \$24.5m of NLTP revenue. The revenue shortfall for these three years for this budget is \$18.7m (noting \$5.8m of funding was received for Year 1).

**Q97. What is the recommended Option 1 budget for the Cycleways activity and what is the assumed contribution from the NLTP and from the council?**

A - - The proposed budget is \$61.3m (inflated, \$58.4m uninflated), with \$17.1m assumed revenue from NZTA Waka Kotahi over the whole 10 years, including \$5.8m confirmed revenue in year 1. NLTP revenue is assumed from year 4, in alignment with all Transport budgets. \$58.4m is the proposed new total with \$XM assumed from NLTP.

**Q98. What is the Option 2 budget for the Cycleways activity and what is the assumed contribution from the NLTP and from the council?**

A - Option 2 is proposing to retain as per the LTP budget - \$99m for Cycleways. With the Council funding the additional \$18.7m to compensate the revenue which will not be received from NZTA Waka Kotahi in Years 1-3. This will increase the amount the Council needs to borrow to fund this activity. NLTP revenue of \$25.7m is assumed from year 4 in alignment with all Transport budgets, plus the received funding of \$5.8m in Year 1.

**Q99. - What is the Option 3 budget for the Cycleways activity and what is the assumed contribution from the NLTP and from the council?**

A –The proposed budget is \$35.8m (inflated, uninflated \$34.9m). The only NZTA revenue for this option is the already received \$5.8m for Year 1. Option 3 also includes approx. \$7.4m (inflated) in years 4-10 in the Cycleways Renewals budget for maintenance of the in-place transitional materials and to fix some of the missing links between already installed routes. This Renewals budget assumes \$3.4m NLTP revenue across years 4 to 10.

### ***Insurance Debt Headroom***

**On page 281 there is a chart of our Insurance Debt Headroom:**

**Q100. Can the chart have our 280% maximum debt limit added to it?**

A – This graph is from the 2021-31 LTP.

**Q101. Can a copy of spreadsheet used to create this chart be provided?**

A – This graph is from the 2021-31 LTP.

**Q102. Can another chart showing the actual amounts of debt and debt targets be added to the document?**

A – As part of the LTP amendment we are only updating the relevant documents.

## **OPEX and CAPEX**

There have been no changes to council levels of services as a result of the following movements.

In general, annual plan expenditure movements relate to updates to the calculation of personnel costs (including any movement in recharges to capital projects), depreciation, insurance, internal rates. These changes also often result in movements in overhead allocations (interest, property, IT and organisation overheads).

Individual activities can also have budget changes as a result of a movement between activities across business units to better align budgets to activities, or as a result of organisation restructuring.

### **Q103. OPEX Activity 1002 Committee & Council Process is to be cut by \$898k, what is the impact of this budget cut on council activities?**

A- There have been no changes to council levels of services as a result of the following movements.

In general, annual plan expenditure movements relate to updates to the calculation of personnel costs (including any movement in recharges to capital projects), depreciation, insurance, internal rates. These changes also often result in movements in overhead allocations (interest, property, IT and organisation overheads).

Individual activities can also have budget changes as a result of a movement between activities across business units to better align budgets to activities, or as a result of organisation restructuring.

### **Q104. OPEX Activity 1028 Townbelt-Reserves Management is to be cut by \$896k, what is the impact of this budget cut on council activities?**

A- There have been no changes to council levels of services as a result of the following movements.

In general, annual plan expenditure movements relate to updates to the calculation of personnel costs (including any movement in recharges to capital projects), depreciation, insurance, internal rates. These changes also often result in movements in overhead allocations (interest, property, IT and organisation overheads).

Individual activities can also have budget changes as a result of a movement between activities across business units to better align budgets to activities, or as a result of organisation restructuring.

**Q105. OPEX Activity 1035 Waterfront Public Space Management is to be increased by \$759k, why is this cost increasing above the previous LTP budget**

A - This includes operating costs for the proposed waterfront edge protection of \$220k.

For other movements:

In general, annual plan expenditure movements relate to updates to the calculation of personnel costs (including any movement in recharges to capital projects), depreciation, insurance, internal rates. These changes also often result in movements in overhead allocations (interest, property, IT and organisation overheads).

Individual activities can also have budget changes as a result of a movement between activities across business units to better align budgets to activities, or as a result of organisation restructuring.

**Q106. OPEX Activity 1067 Drainage Maintenance becomes \$0 from 2026/27, how will this council activity be funded from this year?**

A – This is the result of water reform changes effective 1 July 2026

**Q107. OPEX Activity 1078 Wellington Convention & Exhibition Centre (WCEC) Expense is to be cut by \$3.8m, what is the impact of this budget cut on Tākina?**

A – This predominantly relates to the changed operating model where we are moving to a lower risk position around exhibition delivery and are not showing gross exhibition delivery costs, nor are we receiving the ticket sale revenue (as shown in the reduced income levels).

We note that some of the expenditure reductions relating to the above changes in operating model were offset by increases in depreciation, rates and interest.

**OPEX Activity 1078 Wellington Convention & Exhibition Centre (WCEC) Income is to be cut from \$9.3m to \$3.5m, what is the impact of this much reduced revenue to Tākina?**

A – Much of this reduction in revenue is to reflect the changed operating model for Tākina exhibitions where we do not plan to continue with a lower risk model and not receive ticket sale revenues. As above in Q107 There is also an offsetting reduction in the expenditure around exhibition delivery that offsets much of this income reduction as noted above. The balance of the reduction relates to aligning our budgeted returns from the convention business with those presented by our operating partner Te Papa which are lower than originally anticipated due to the challenging operating environment.

**Q108. Does the council now assume that the subsidy to Tākina will be \$14 - \$15m per year instead of \$10-11m as estimated in the previous LTP**

A- Much of this increase relates not to further subsidy rather increase in the ownership costs of Takina ie; increased rates, insurance and depreciation costs allocated to Tākina. The balance relates to the adjustment to the aligning our budgeted returns from the convention business with those presented by our operating partner Te Papa. We anticipate we can improve these numbers once the new operating model is embedded. It was always considered that there would be a Council contribution to the operations of Takina as approved in the business case – due to the significant economic contribution it makes to the Wellington economy.

**Q109. OPEX Activity 1108 Natural Turf Sport Operations is to be cut by \$1.4m, what is the impact of this budget cut on council activities?**

A – The majority of this movement relates to a reduction to labour charges to capital projects.

There have been no changes to council levels of services as a result of this movements.

For other movements:

In general, annual plan expenditure movements relate to updates to the calculation of personnel costs (including any movement in recharges to capital projects), depreciation, insurance, internal rates. These changes also often result in movements in overhead allocations (interest, property, IT and organisation overheads).

Individual activities can also have budget changes as a result of a movement between activities across business units to better align budgets to activities, or as a result of organisation restructuring.

**Q110. OPEX Activity 1136 Safe City Project Operations is to be increased by \$736k, what is this activity and why is this cost increasing above the previous LTP budget?**

A - This activity covers Council's city safety initiatives including management and removal of graffiti, drug and alcohol harm reduction, sexual violence prevention, retail crime prevention and initiatives that improve community safety and wellbeing.

The total budget for this activity has not increased, however the cost of the salaries of staff delivering against the activity has been moved into this line. See response to Q 103 above

**Q111. OPEX Activity 1133 Public Health (Food & Alcohol Premises, Dog Registrations) is to be increased by \$1.3m, what is this activity and why is this cost increasing above the previous LTP budget?**

A – Activity 1133 includes the following: Dog licensing & Animal Control, Food Premises licensing, Alcohol license, and Noise Control

The main driver for the increase in costs relates to a change in the operating model for dog services as this will now be delivered in-house rather than outsourced.

**Q112– OPEX Activity 1215 Te Ngākau Programme is to be increased by \$17.9m in 2025/26 and \$21.2m in 2026/27, why is this cost increasing above the previous LTP budget?**

A- Demolition costs are classified as opex rather than capex. These increases reflect earlier decisions regarding Te Ngakau demolitions, with the amounts being transferred from the Te Ngakau provision capex project. These costs are debt funded and do not impact rates.

**Q113. OPEX Activity 1148 Development Control and Facilitation is to be increased by \$2.8m in 2025/26 and \$2.9m in 2026/27, what is this activity and why is this cost increasing above the previous LTP budget?**

A – The activity relates to resource consents and compliance.

See response to 103, however in this case, this the result of a significant movement in overhead allocations, particularly in relation to IT and Property allocations, which is been driven by the reclassification of some positions between activities and cost centres.

**Q114. OPEX 1159 Vehicle Network Asset Management is to be cut by \$\$6.8m, what is this activity and what is the impact of this budget cut on council activities?**

A – See response to 103, however in this case, this primarily due to a significant reduction in depreciation expenses.

**Q115. OPEX Activity 1185 Waterfront Parking Services Income is estimated to be \$40m in the LTP yet hundreds of streetside car parks are planned to be converted to bus lanes and cycleways. How is this revenue level to be maintained with this significant loss of car parking?**

A – The \$40m includes the parking revenue changes agreed as part of the LTP. Projects which are under development and may include removal of on-street parking are not factored into this currently. Revenue levels, due to this possible reallocation of on-street parking spaces (currently approx. 5-7% of the central city parking provision) will impact revenue levels, unless mitigated by for example increasing parking fees, moving to demand based pricing etc. This should be considered in future long-term and annual planning processes in the revenue and finance policy. The Parking Policy as approved by Council in 2020 set the strategic direction for Parking. The Parking Policy includes a number of principals which are relevant:

- Principal A in the Parking Policy directs parking management changes to consider the effect that the changes in revenue will have on ratepayers. This is considered at a project by project level and revenue loss is included and considered through the traffic resolutions approval process.
- Principle D directs that parking is priced at a level that achieves the policy objectives and is consistent with broader transport objectives.

Principle F instructs that the Council primary focus on prioritising existing space not on increasing parking supply.

**Q 116. CAPEX Activity 2011 Southern Landfill Improvement is to be cut by \$13.6m in 2025/26, what is the impact of this budget cut on the landfill improvement?**

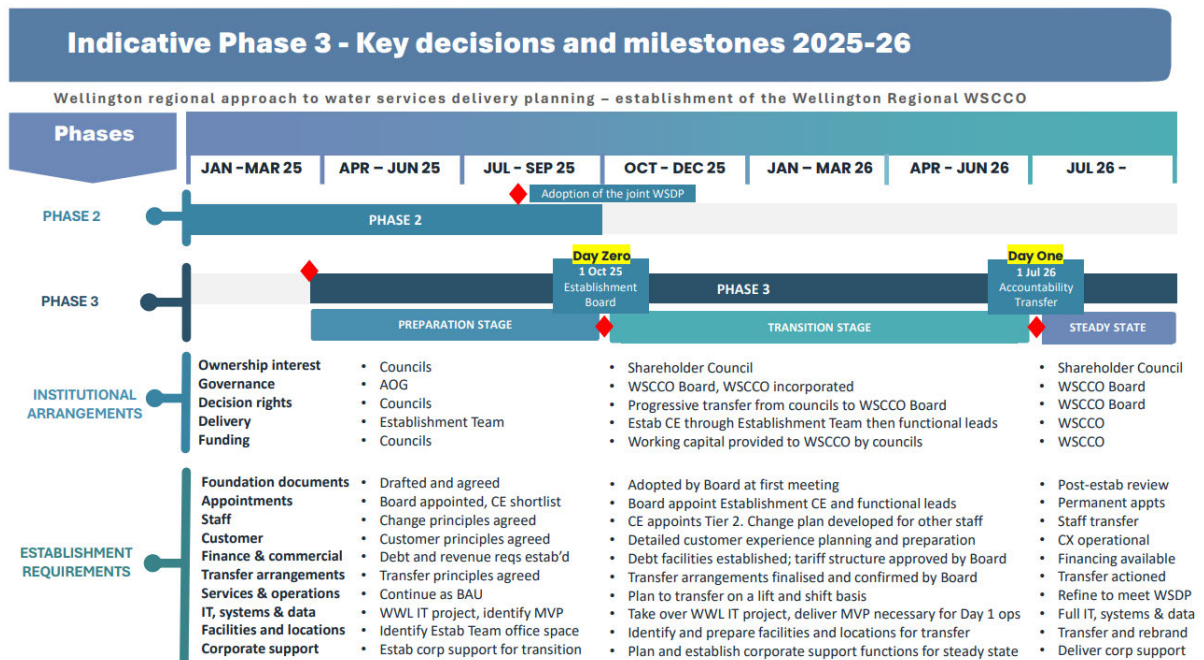
A – This is the removal of the budget duplication error for the Organics Processing project, as stated in the 26 November papers. There will be no impact on the landfill improvements.

**Q117. CAPEX Activities 2028 Stormwater - Network upgrades and 2029 Stormwater - Network renewals are to be cut by to \$0 in 2026/27, how will these council activities be supported from this year?**

A – This is the result of water reform changes effective 1 July 2026.

**Q118. Can a breakdown of the \$15m cost estimate for the transition to the new regional water entity be provided?**

A – The budget (of which WCC share is 42% (\$6.3m)) will address the establishment activities outlined under the “Establishment Requirements” heading below (last row). This includes costs associated with legal establishment of the new water organisation, appointment of a Board and executive staff and transfer of assets, income and liabilities until such time as the new organisation is able to borrow and fund activities in its own right.





**Q119. Who developed the cost estimate for the transition of the new regional water entity?**

A – The cost estimate was developed by the joint councils' programme team who are contracted by Porirua City Council on behalf of the five councils to lead the planning and delivery of a joint water services delivery plan (WSDP) and the establishment of a joint water organisation. The programme team is led by Scott Consulting who have worked with the regional CFOs to develop budget estimates that will enable all councils to meet the legislated requirements.

**Q120. Is there an agreed process for tender and procurement that will be undertaken by the regional entity during the transition?**

A – Yes. Porirua City Council are the lead council for all procurement activities; therefore adhering to PCC policies and guidelines. As standard, PCC discuss and seek agreement from the participating CEs and CFOs for significant procurement and contractual activities and operate within agreed budget parameters.

**Q121. What disbursements have been made from the Environmental and Accessibility Fund?**

A - There are three active grant commitments that are budgeted in the LTP. The funds are dispersed when the buildings are completed and certification(s) achieved.

**Q122. What grants from the Environmental and Accessibility Fund (including the amounts granted) have been agreed for years 25/6 to 27/8?**

A – Three grants commitments were made prior to the end of the 23/4 financial year, and the funds will be dispersed when the buildings are completed and certification(s) achieved, which is why the grant amounts are budgeted for in later years. The three successful applications were:

- Victoria University of Wellington Foundation (\$300,000, Green Star 6 and Living Building Challenge)
- 135 Victoria Street WLG Limited (\$1,247,500, 33 units LifeMark 4, 108 units Homestar 7)
- One Tasman Development Limited Partnership (\$1,000,000, 109 units Homestar 7).

## Additional Questions

**Q123: How much did rates of council owned properties increase compared to what was budgeted for 2025/26?**

A - We budgeted for \$28.5million in internal rates in 2025/26 (based on LTP/AP rates increase and 2021 revaluation CV's). After revaluation, indicative internal rates for 2025/26 amount to \$45.0 million. This is an increase of \$16.5m, which we propose to mitigate by not rates funding.