
ORDINARY MEETING

OF

**PŪRORO TAHUA | FINANCE AND PERFORMANCE
COMMITTEE**

MINUTES

Time: 9:30am
Date: Thursday, 17 March 2022
Venue: Virtual Meeting

PRESENT

Mayor Foster (via audiovisual link)
Deputy Mayor Free (via audiovisual link)
Councillor Calvert (Chair) (via audiovisual link)
Councillor Condie (via audiovisual link)
Councillor Day (via audiovisual link)
Councillor Fitzsimons (via audiovisual link)
Councillor Foon (Deputy Chair) (via audiovisual link)
Liz Kelly (via audiovisual link)
Councillor Matthews (via audiovisual link)
Councillor O'Neill (via audiovisual link)
Councillor Pannett (via audiovisual link)
Councillor Paul (via audiovisual link)
Councillor Rush (via audiovisual link)
Councillor Woolf (via audiovisual link)
Councillor Young (via audiovisual link)

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1. Meeting Conduct

1.1 Karakia

The Chairperson declared the meeting open at 9:30am and invited members to stand and read the following karakia to open the meeting.

Whakataka te hau ki te uru, Whakataka te hau ki te tonga. Kia mākinakina ki uta, Kia mātaratara ki tai. E hī ake ana te atākura. He tio, he huka, he hauhū. Tihei Mauri Ora!	Cease oh winds of the west and of the south Let the bracing breezes flow, over the land and the sea. Let the red-tipped dawn come with a sharpened edge, a touch of frost, a promise of a glorious day
---	--

(Mayor Foster joined the meeting at 9:32am)

1.2 Apologies

Moved Councillor Calvert, seconded Councillor Pannett, the following motion

Resolved

That the Pūroro Tahua | Finance and Performance Committee:

1. Accept the apologies received from Deputy Mayor Free and Councillor Rush for lateness, from Councillor Woolf for early departure, and from Mayor Foster and Liz Kelly for partial absence.

Carried

1.3 Conflict of Interest Declarations

No conflicts of interest were declared.

1.4 Confirmation of Minutes

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

That the Pūroro Tahua | Finance and Performance Committee:

1. Approves the minutes of the Pūroro Tahua | Finance and Performance Committee Meeting held on 17 February 2022, 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.

1.6 Public Participation

1.6.1 Chris Ford

Chris Ford addressed the meeting regarding item 2.2 the Development Contributions Policy report back on consultation and final version for approval.

(Mayor Foster left the meeting at 9:39am and returned to the meeting at 9:41am.)

Secretarial note: Council-controlled Organisations were given 15 minutes each to provide an update on their operations and answer questions from the members of the Committee. The order of speaking was as follows:

1. Basin Reserve Trust
2. Karori Sanctuary Trust
3. Wellington Cable Car Ltd
4. Experience Wellington
5. Wellington Regional Economic Development Agency
6. Wellington Regional Stadium Trust
7. Wellington Zoo Trust

Attachments

- 1 Wellington Cable Car
- 2 Experience Wellington
- 3 Karori Sanctuary Trust
- 4 Wellington Regional Economic Development Agency
- 5 Wellington Zoo Trust

The meeting adjourned at 10:27am and reconvened at 10:37am with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Mayor Foster, Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Woolf and Councillor Young.

(Deputy Mayor Free joined the meeting at 10:58am.)

(Councillor Rush joined the meeting at 11:30am.)

Secretarial note: In accordance with standing order 19.1, the Chairperson accorded precedence to some items of business, so the agenda was considered in the following order:

- 2.6 Wellington Water Current Year Opex – Potential Overspend
- 2.1 Health Safety and Security
- 2.3 Wellington Regional Stadium Covid Relief Support
- 2.4 Quarter Two Reports for Council Controlled Organisations
- 2.5 Performance Report Quarter Two 2021/22
- 2.2 Development Contributions Policy report back on consultation and final version for approval
- 2.7 Forward Programme
- 2.8 Actions Tracking

(Mayor Foster left the meeting at 11:49pm.)

(Councillor Woolf left the meeting at 12:24pm.)

2. General Business

Secretarial note: Wellington Water spoke to Item 2.6 Wellington Water Current Year Opex - Potential Overspend. The item was not moved nor seconded, and will be included in the agenda for Te Kaunihera o Pōneke | Council meeting of 31 March 2022.

The meeting adjourned at 12:52pm and reconvened at 1:40pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free, Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul and Councillor Young.

2.1 Health Safety and Security

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

That the Pūroro Tahua | Finance and Performance Committee:

- 1) Receive the information.

Carried

(Deputy Mayor Free left the meeting at 1:58pm)

2.3 Wellington Regional Stadium Covid Relief Support

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

Officers recommend the following motion

That Pūroro Tahua | Finance and Performance Committee:

- 1) Receive the information.
- 2) Recommend to Council to approve a one-off \$1.5m grant to the Wellington Regional Stadium Trust.
- 3) Note that this \$1.5m will be debt funded in the current year and repaid through increased rates over the next 10 years.
- 4) Recommend to Council to increase operational (opex) budget for the relevant activity by \$1.5m.

Carried

2.4 Quarter Two Reports for Council Controlled Organisations

Moved Councillor Calvert, seconded Councillor O'Neill, the following motion

Resolved

That Pūroro Tahua | Finance and Performance Committee:

- 1) Receive the information.
- 2) Note the current challenging trading conditions for CCOs.

Carried

(Mayor Foster returned to the meeting at 2:59pm.)
(Liz Kelly left the meeting at 3:06pm.)

The meeting adjourned at 3:11pm and reconvened at 3:21pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Mayor Foster, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul and Councillor Young.

Meeting duration

Moved Councillor Calvert, seconded Councillor Matthews, the following motion

Resolved

That Pūroro Tahua | Finance and Performance Committee:

- 1) Agree to continue the meeting beyond six hours, in accordance with standing order 11.7.

Carried

2.5 Performance Report Quarter Two 2021/22

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

Officers recommend that the Pūroro Tahua | Finance and Performance Committee:

- 1) Receive the Quarter Two (Q2 Performance Report on the 2021 Long-term Plan (LTP).
- 2) Note the key headlines covered in the summary and in each section of the report.
- 3) Note that this report is against the 2021 LTP and is aligned with the Corporate Monitoring and Reporting Framework (level 1) and supports the strategic oversight and monitoring role of the LTP by the Finance and Performance Committee.
- 4) Note that further development of the quarterly report (under the agreed framework) will occur over subsequent quarters.
- 5) Note that the report draws upon without duplication, detailed project level monitoring reports to other Committees.
- 6) Note the key capital programme delivery headlines in this report reflect the agreed rescheduling of the 2021/22 Capital Programme as presented on 18 November 2021 to this Pūroro Tahua | Finance and Performance Committee.
- 7) Recommend to Council the following in-year budget changes:
 - a. Increase operational (opex) budget by \$3.62m in relation to the payment made to World of WearableArt (WOW),
 - b. Increase capital (capex) budget for Botanical Gardens by \$350k, noting that this is a bring-forward from 2022/23 and there will be a corresponding reduction in the same project in the final Annual Plan for 2022/23.
 - c. **Increase capex budget for Suburban Centre Upgrades by \$530k through the transfer of capex budget from Transport Minor Works Upgrades.**
- 8) Note the following budget changes will also be recommended to Council, subject to approval, through other reports to this Committee:
 - c. Increase opex budget by \$1.5m in relation to payment of a grant to Wellington Regional Stadium Trust,
 - d. ~~Increase opex budget by \$4.9m in relation to increase opex costs for Wellington Water Limited~~

Carried

Secretarial note: The motion was moved with amendments, supported by officers, as marked in red. With the leave of the meeting, clause 8d was withdrawn from the motion.

Attachments

- 1 Quarter 2 Report Summary
- 2 Building Consenting and Compliance - Current State Assessment

(Councillor O'Neill returned to the meeting at 4:04pm.)

2.2 Development Contributions Policy report back on consultation and final version for approval

Moved Mayor Foster, seconded Councillor Calvert, the following motion

Resolved

That Pūroro Tahua | Finance and Performance Committee:

- 1) Receive the information.
- 2) **Note** the Summary of Submissions (Attachment 1) from consultation on the proposed amended Development Contributions Policy.
- 3) **Agree** further amendments to the proposed amended Development Contributions Policy, discussed in this paper and marked up in the attached draft (Attachment 2):
 - a. Citywide reserves charges to reduce by \$111 based on a correction to the growth proportion of a new project, and all corresponding totals to change.
 - b. Area I Churton-Stebbing reserves charges to reduce by \$530 based on a correction to the growth proportion of a new project, and all corresponding totals to change.
 - c. Area J Grenada-Lincolnshire transport charge to reduce by \$1,452, based on a correction to the growth proportion of a roading project, and corresponding totals to change.
 - d. Corrections and clarifications at marked up in underline and strikethrough at sections 6.18 about when payment is due, section 7.11 about exclusions from gross floor area, **section 9.7 about limitation on imposing development contributions** and section 8.12 about when objections should be made (Attachment 2).
- 4) **Note** that submitters proposed changes to the way that development contributions are assessed for non-residential developments, retirement villages (currently assessed as residential) and aged care facilities (currently assessed as non-residential).
- 5) **Note** that officers propose to undertake further analysis, and test options through assessments and special assessments towards developing proposals for consideration the next review of the policy, for:
 - a. retirement villages and aged care beds.
 - b. non-residential developments for example retail and industrial.
 - c. impermeable surface areas related to stormwater.
 - d. the standard measure for non-residential development of one equivalent household unit per 42m².
- 6) **Note** that changes to the green building remission could be sought from an initiative to develop an Environmental and Accessibility Performance Fund [refers Annual Plan Committee, 8 March 2022] subject to Annual Plan processes.
- 7) **Recommend to Council to agree** to adopt the proposed amended Development Contributions Policy effective 1 May 2022 (Attachments 2, 3 and 4). Attachments 3 and 4 are maps to be incorporated into the policy.
- 8) **Note that the policy and development contribution charges is next due for review at the**

Long-term Plan 2024-34 and the charges may be reviewed earlier, for example, if there is significant new growth expenditure to consider from Let's Get Wellington Moving or other projects.

- 9) **Agree** to add a new paragraph about initial assessments after paragraph 6.12, "The Council will work with the developer to evaluate the development and determine the initial assessment of development contributions. Initial assessments are in draft and can be amended by the Council until a development contribution notice is issued", and delete the from current paragraph 6.13, "In some cases, the notice may be issued or re-issued later"

Carried

Secretarial note: The motion was moved with amendments, supported by officers, as marked in red. Reference to be made to Attachments 1-4 of item 2.2 of the Pūroro Tahua | Finance and Performance Committee meeting of 17 March 2022: Development Contributions Policy report back on consultation and final version for approval.

2.7 Forward Programme

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Carried

2.8 Actions Tracking

Moved Councillor Calvert, seconded Councillor Foon, the following motion

Resolved

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Carried

The meeting concluded at 4:13pm with the reading of the following karakia:

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana, te wairua	Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind
I te ara takatū	
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

Authenticated: _____

Chair

ORDINARY MEETING

OF

**PŪRORO TAHUA | FINANCE AND PERFORMANCE
COMMITTEE**

MINUTE ITEM ATTACHMENTS

Time: 9:30am
Date: Thursday, 17 March 2022
Venue: Virtual meeting

Business	Page No.
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Council-controlled Organisations' presentation

- | | |
|--|----|
| 1. Wellington Cable Car | 2 |
| 2. Experience Wellington | 13 |
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| 4. Wellington Regional Economic Development Agency | 33 |
| 5. Wellington Zoo Trust | 41 |

2.5 Performance Report Quarter Two 2021/22

- | | |
|--|----|
| 1. Quarter 2 Report Summary | 45 |
| 2. Building Consenting and Compliance – Current State Assessment | 50 |

Wellington Cable Car Limited Finance & Performance Committee FY 2021-22 Q2 Presentation

17 March 2022

PUT YOUR

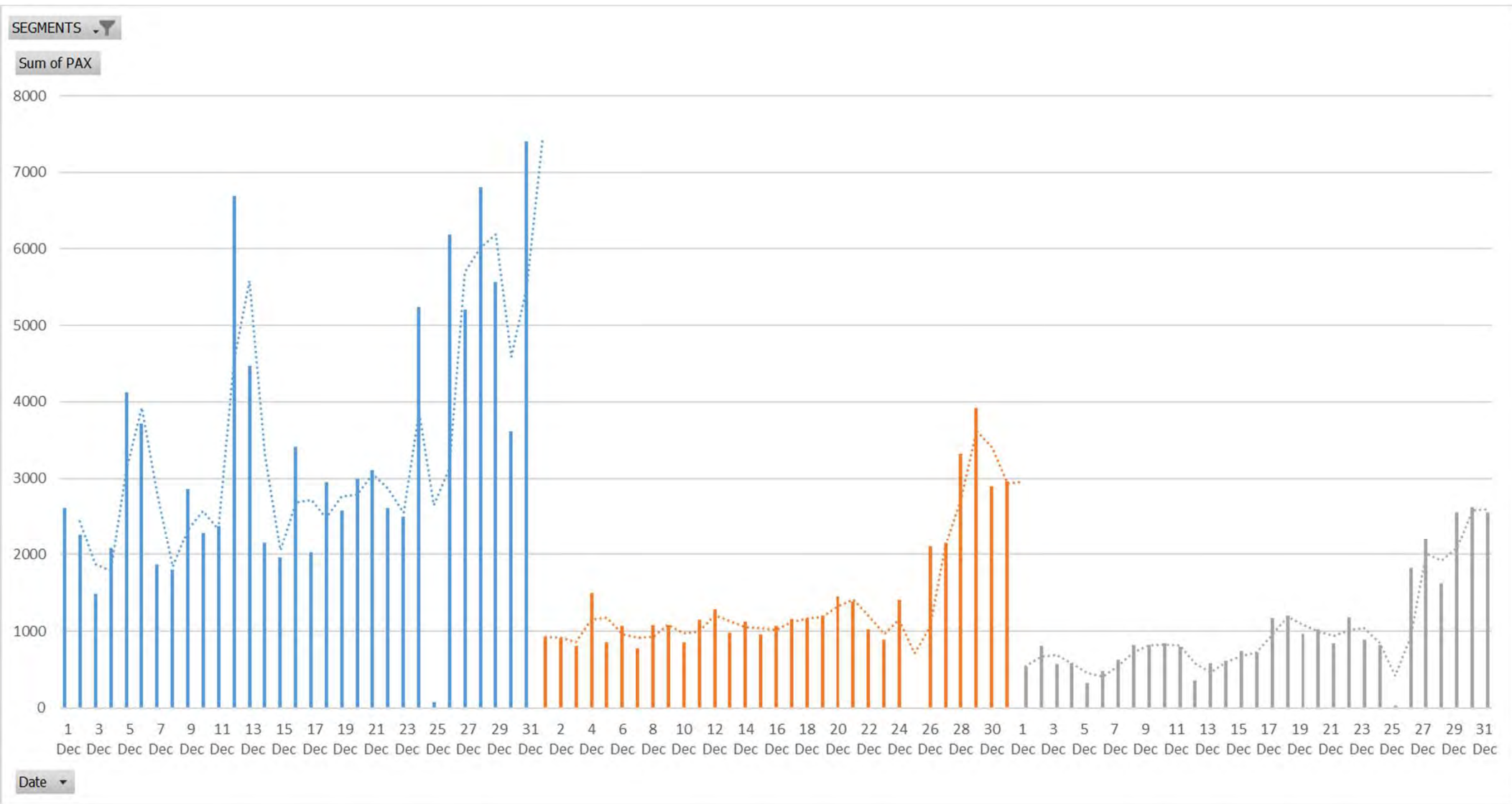


FY21-22 Q2 REPORT

- Passenger Numbers & Financials
 - Impact of Auckland Lockdowns
 - FY 2021-22 Reforecast
- Commercial
 - Bark n Ride
 - Supporting CCO Whānau
 - 120th Birthday
 - Bird Strike mitigation project
- Seismic Strengthening – Upper Portal Middle Tunnel



December 2019 vs 2020 vs 2021

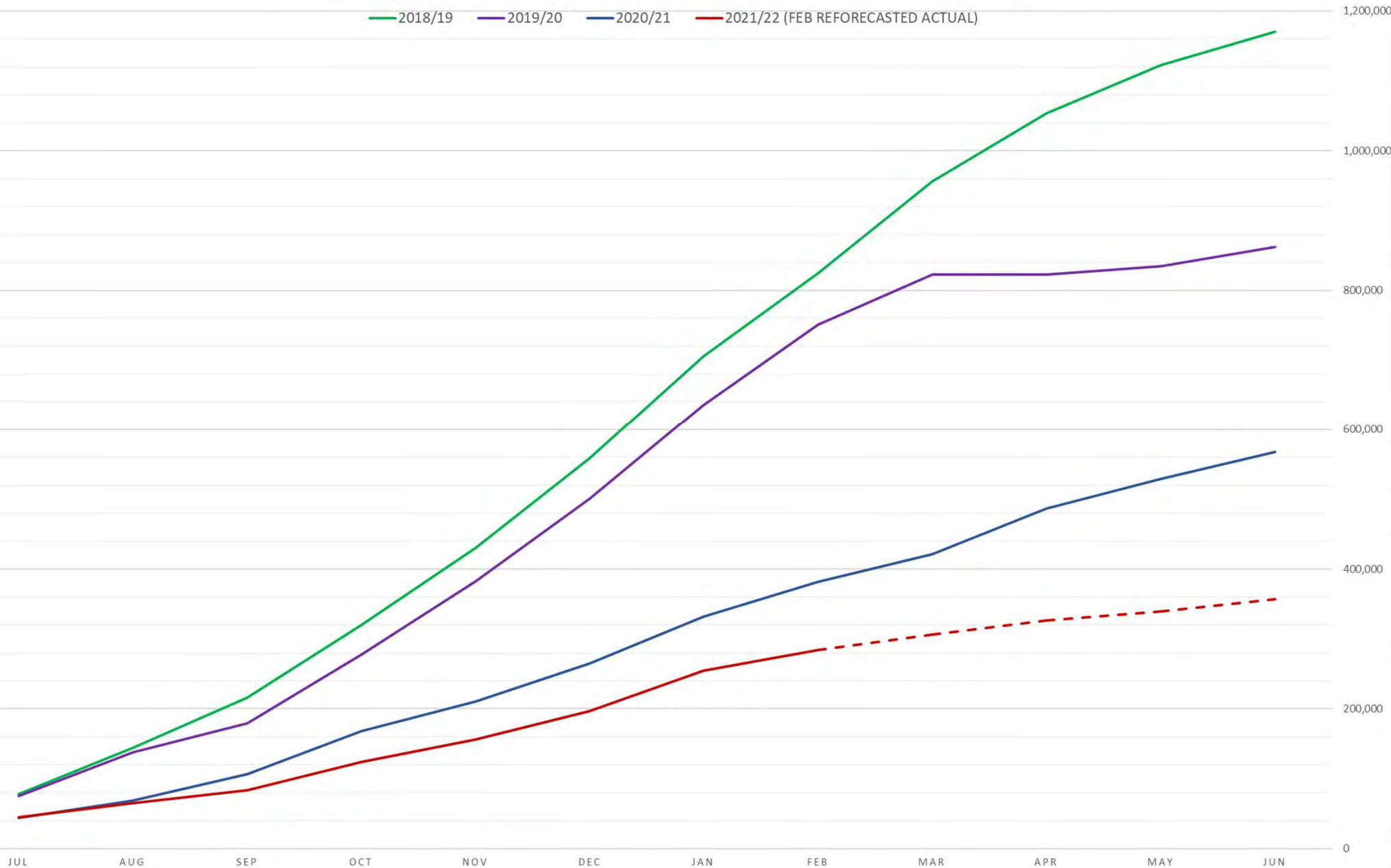


Cumulative Passenger Numbers



WCCL CUMULATIVE PASSENGER NUMBERS

— 2018/19 — 2019/20 — 2020/21 — 2021/22 (FEB REFORECASTED ACTUAL)



BARK and RIDE



WORKING WITH CCO WHĀNAU



experience
Wellington
wellington museums trust



BIRD STRIKE MITIGATION PROJECT



Seismic Strengthening – Upper Portal Middle Tunnel

PORTAL

NORTH WALL



MELBURN • LAMBTON QUAY
• WELLINGTON
CABLE CAR
NEW ZEALAND
LAMBTON QUAY • MELBURN

AN IMPORTANT PART OF WELLINGTON'S HISTORY

Celebrating 120 YEARS OF WELLINGTON CABLE CAR
1892 - 2022

SNAPSHOTS FROM 120 YEARS OF THE WELLINGTON CABLE CAR

1899
The Wellington Cable Car was designed by James Rolleston, who also designed the Wellington Harbour Bridge. It was the first of its kind in the world.

1902
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

1905
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

1956
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

1962
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1965
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1974
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1975
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

1979
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2002
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2014
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

2016
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

2021
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

2022
The Wellington Cable Car was the first of its kind in the world. It was designed by James Rolleston, who also designed the Wellington Harbour Bridge.

For more Wellington Cable Car history visit www.wellingtoncablecar.co.nz/history

QUESTIONS?





KIA ORA
THANK YOU

KELBURN • LAMBTON QUAY
• WELLINGTON •
CABLE CAR
NEW ZEALAND
LAMBTON QUAY • KELBURN

17 March 2022



Presentation to
Finance and Performance
Committee





2021/22 Quarter Two Results

Visitation: 140,188

- 29% of annual target
- Q2 2019-20: 199,052

Virtual Visitors: 187,237

- 86% of annual target
- Ahead of previous year

Trading Revenue: \$965k

- 49.9% of YE target

Non-Council Revenue: 31.8%

- 28% YE target

Financial Position: (\$65k)

- YE Deficit (\$916k)



Q2 Highlights: Enriching Lives



Children's Art Exhibition





Te Whanganui a Tara – carpet installation





*Home is Where the Art Is
PlayHQ*



MUSEUM ENTRANCE



Mahitahi





Embracing Te Ao Māori





Ngā Tohunga Whakaterere - The Navigators



Experience Wellington Flourishes



Looking Ahead



- Keeping our staff and visitors safe amid COVID-19
- Long-tail of the pandemic. Impact of rising costs. Making best use of every dollar
- Enhancing our experiences and creative ways to engage with Wellingtonians
- Looking forward to Council feedback on our draft SOI
- Leveraging CCO status on Te Matapihi, museum strengthening, funding for learning & programmes





Finance and Performance Committee
Thursday 17 March 2022

ZEALANDIA™
TE MĀRA A TĀNE

Overall position

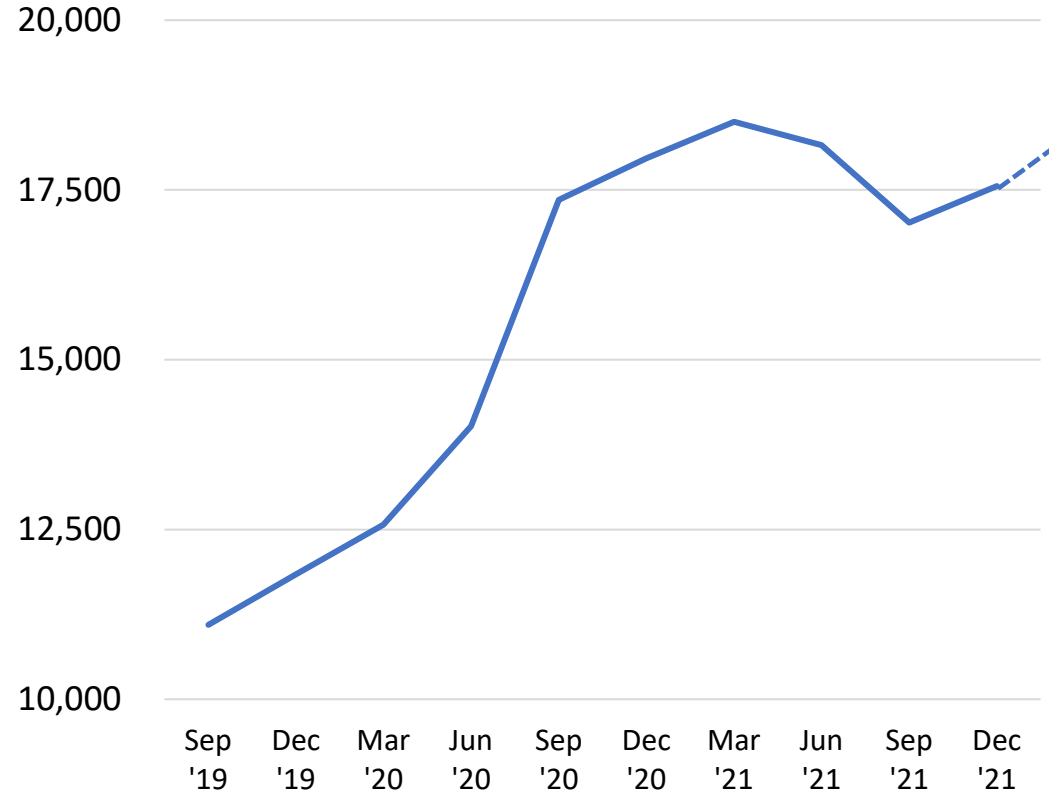
- Balance sheet continues to be in good condition
- Cash balance is currently sound
- Expenses are being managed closely and carefully
- Despite reduced revenues, cost to income ratio remains under 65%
- Morale is very good in the team
- Tanglewood House construction cost confirmed by QS
- Board assisting SMT team with fundraising appeal



Visitor numbers



Membership



Things to Do in Wellington



1. Museum of New Zealand Te Papa Tongarewa

★★★★☆ 14,069

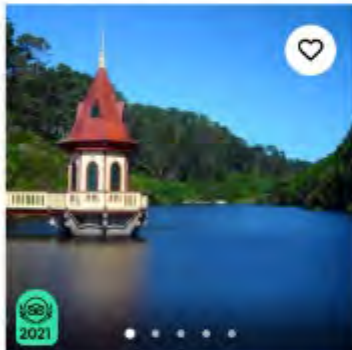
Speciality Museums

Open now

Admission tickets from
A\$14.65

By [rosemary515](#)

Te Papa's new Nature exhibition is absolutely topnotch, most interesting and informative plus very family friendly wi...



2. ZEALANDIA Ecosanctuary

★★★★☆ 2,760

Nature & Wildlife Areas

Open now

By [davidIP6880HU](#)

We loved every minute - knowledgeable guides, gorgeous scenery, tons of native birds.



3. Mount Victoria

★★★★☆ 3,018

Lookouts

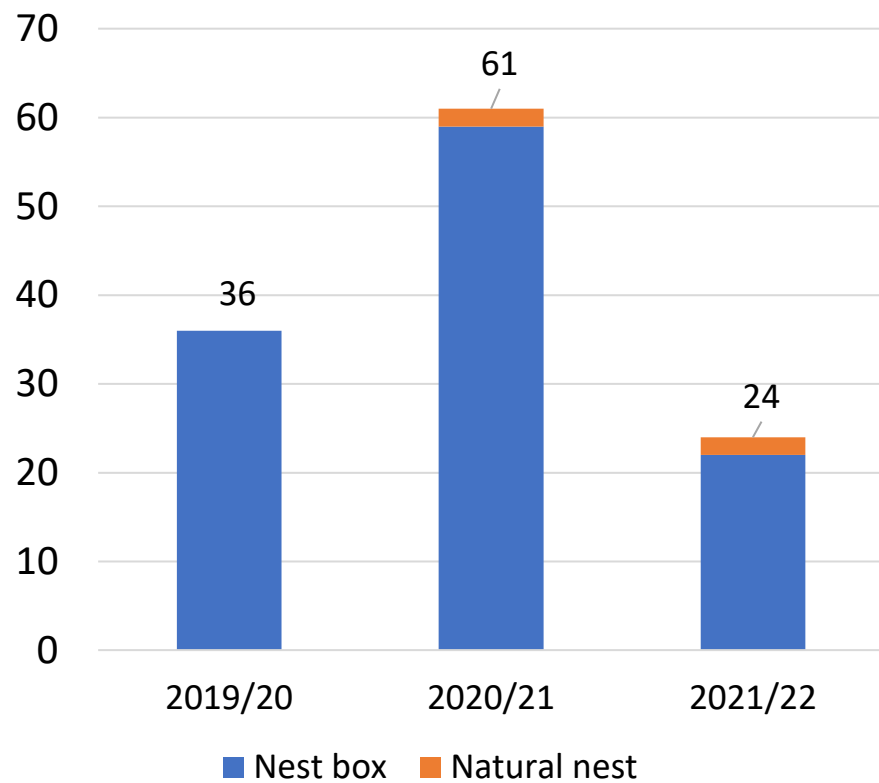
By [fafa_potato](#)

On a hot Wellington day, when you take the number 20 from Courtenay place to this lookout point (I was never going to...



Aaria Dobson-Waitere

Hihi fledglings



ZSL
LET'S WORK
FOR WILDLIFE



Department of
Conservation
Te Papa Atawhai

ZEALANDIA
TE MĀRA A TĀNE

Melissa Boardman



Owen Calder



Owen Calder



Te Ara website

ZEALANDIA™

TE MĀRA A TĀNE



WellingtonNZ Q2 & Highlights Update

Pūroro Tahua | Finance and Performance Committee 17 March 2022

WellingtonNZ

MAKING THE
WELLINGTON REGION

**Wildly
Famous**

Wellington Regional Position

The outbreak of the Delta and Omicron variants, ongoing restrictions from Government settings and the recent protest at Parliament have all impacted the region.

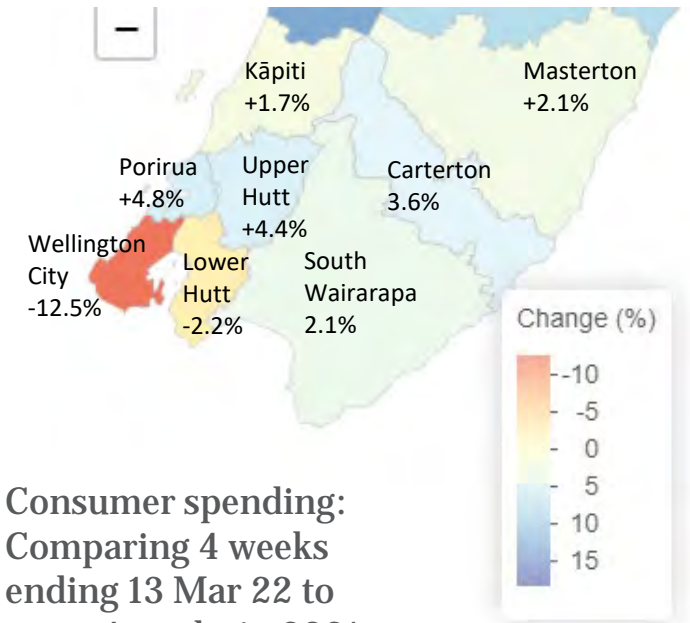
Consumer spending continues to decline in the 4 weeks ending 13 March 22 compared to the same 4 weeks prior and also the same 4 weeks in 2021. With Wellington City and Kāpiti experiencing the biggest decline of 3.9% and 4%.

However, when compared to the same 4 weeks in 2021, most of the region is experiencing increased spending except for Lower Hutt and Wellington City. Spending in the City is 12.5% lower than this time last year.



Light vehicle traffic captured at Ngauranga Gorge highlights there is decreasingly less traffic coming into Wellington City every week as case numbers remain high.

As of week ending 7 March, Wellington Light traffic is below 40K on average daily. An 8.4% drop compared to the week prior and only 81.5% of the traffic levels in the same week of 2019.



Consumer spending:
Comparing 4 weeks ending 13 Mar 22 to same 4 weeks in 2021

WellingtonNZ – Venues Wellington

Quarter Two Highlights

August saw the arrival of the Delta variant into New Zealand which resulted in a national lockdown and ongoing restrictions from COVID Alert Level 2. This resulted in the postponement and cancellation of events from the Q2 Calendar, resulting in a significantly lower number of events and visitors to the venues.

A highlight of Q2 was being able to deliver a RNZB season under the Alert Level 2 restrictions.

Highlights on the Horizon

- Re opening of the St James Theatre. Currently contracting a number of performances to be held at the St James when the venue opens which all going well will be held from late May through June.
- Seasons that are currently confirmed and announced (there are others in the pipeline that have not yet been announced):
 - Wellington Opera – La Traviata Jul 9 – Jul 16
 - RNZB – Cinderella Aug 3 – Aug 6
 - Les Misérables Aug 19 – Sep 4
 - NZ Opera – Macbeth Oct 5 – Oct 9
 - Shrek The Musical Oct 12 – Oct 15



Whilst the timing of the lifting of restrictions on events is unknown, the future programme across the venues is looking strong

WellingtonNZ – Major Events



Quarter Two Highlights

The outbreak of the Delta and Omicron variants, and ongoing restrictions from Government settings has had a significant impact on the planning and delivery of events

A highlight of Q2 was Beervana which was delivered prior to the August lockdown, and the opening of Destination Mars and Hilma af Klint both of which could continue under the RED settings.

Highlights on the Horizon

- The ICC Women's Cricket World Cup is underway, with restricted audiences of 20% of capacity
- Eat, Drink, Play will be delivered by the hospitality sector in May
- There are a number of other major events that are in the pipeline and will be announced in due course
- The longer-term outlook is very positive – the forward programme for Major Events from July 2022 – August 2023 is strong, and includes:

All Blacks vs Ireland (Jul)
Wellington on a Plate (Aug)
Beervana (Aug)
WOW (Sep/Oct)
Wellington Jazz Festival (Oct)
SIX60 stadium concert (Oct)
Guns n' Roses stadium concert (Dec)
Foo Fighters stadium concert (Dec)
Ed Sheeran stadium concert (Feb)
Homegrown (Mar)
FIFA Women's World Cup (Jul/ Aug)

WellingtonNZ – Business & Innovation

Quarter Two Highlights

- Supported 307 students into internships and / or employment in the tech industry through our work with Summer of Tech. Launched the stakeholder engagement phase of the Regional Economic Development plan. Directly supported more than 1000 businesses across the region through the RBPP and other programs.

Highlights on the Horizon

Developing and launching a comprehensive tech sector strategy for the region. This includes:

- Business incubation programs with CreativeHQ and other partners including a Climate Tech accelerator (April), Screen and Gaming sector accelerator (May) and Government Tech accelerator (June).
- Working with Wellington high growth companies to upskill their leadership talent capability through an international training program and recruitment drive.
- A focused set of initiatives designed to make Wellington an internationally renowned hub of climate and sustainable tech.

Supporting businesses in the region to strengthen and grow in response to Covid and other recent challenges. This includes:

- Free digital marketing online workshop series led by some of Wellington's top retailers and marketers
- A video training series to help Wellington businesses competitively recruit talent, retain staff and manage flexible and remote teams



WellingtonNZ – Marketing & Communications

Quarter Two Highlights

- WellingtonNZ's first ever podcast, Imagine This launched in Q2, telling the story of a number of the region's best and most innovative businesses and leaders. Rising to #1 on Apple's NZ Business Podcast charts
- We redeveloped the Advent Calendar this year with a smaller budget of \$35k and it returned \$361k to the businesses involved. More than 218k vouchers were downloaded, accounting for almost 3 million page views over December.
- WellingtonNZ brought a range of Christmas activity to the city, from bespoke shopping guides to a multi-channel consumer promotion centered on encouraging people to nominate someone in their life deserving of gifts. This activity was supported across OOH, digital, radio spend and by Santa elves on bicycles

Highlights on the Horizon

- Imagine This podcast returns for Season 2 in March, featuring HNRV, Humankind and more
- In May, a talent campaign will run, created with the local Eightyone agency, showcasing our top talent through personal stories and meaningful spots around the city that've played a unique part in their journey. Communicating these locations and moments will act to anchor them further to Wellington and illustrate the effect our city has on people looking to live, work and invest here
- Domestic & Regional visitation activity will return, focusing on re-energising people and their interaction with the city, using a world-class upcoming Events slate to signal a return to better-than-normal
- Australian visitation activity is being worked on and discussed closely with key Team Wellington partners, to follow on from the return of VFR travel across the Tasman. We are looking to be in market May/June. Our Welcome Mat video content is already live now to Australian east coast audiences across digital (TVOD and social), with PR to follow
- We are working with WCC to bring energy to the upcoming bounce in the city post Omicron/RED levels moving to Orange, this will lead into the above visitation activity

WellingtonNZ – People & Culture

Quarter Two Highlights

- On track to meet budgeted deficit
- Staff turnover that experienced during 2021 has slowed
- Talent pool for vacant positions lower than historical

Highlights on the Horizon

- Significant wage inflation pressure
- Once events start reoccurring in Venues will need to right size casual pool of staff to ensure we can deliver
- Contain operational costs in light of inflationary pressures
- Pressure on funding if losses occur will need to be addressed





Questions?

FINANCE & PERFORMANCE COMMITTEE

Craig Ellison, WZT Board Chair
Karen Fifield MNZM, Chief Executive
17 March 2022

Photo: Jelani, J Knight



WELLINGTON

Zoo

Quarter Two, 2021/22

- Attained Toitū net carbonzero for 10th year (38% reduction on last year)
- Awarded \$150,000 from TG Macarthy Trust for Snow Leopard project
- Won national TIA 2021 Toitū Envirocare Environment Award



WELLINGTON

Zoo

Looking Ahead

- Selected a new Hospitality Partner to start May 2022
- Roll out of Health, Safety & Wellbeing Strategy 2022-25
- Measurement of WZT selected UN Sustainable Development Goals implemented
- Snow Leopards project experiencing some delays due to supply chain issues
- Year end result forecast is \$541k due to loss of over \$1m in visitor revenue and no central government funding





Me tiaki, kia ora!

Snow Leopard Project Design Concept



Quarterly Two report summary

17 March 2022

Headline summary

LTP Strategic priority work programme

- YTD work programme spend continues to lag forecast spend
- At the end of Q2, 81% of the total YTD (and rephased) capital budget has been spent in a constrained and disrupted pandemic environment

Operating position on budget and Capital underspend continues

- income is unfavourable to budget (-4%, -\$12.9m)
- underlying deficit operating position is on budget
- forecast unfavourable year-end position \$11.8m deficit (plan \$5.9m surplus)
- capital programme 33% (\$62.5m) underspent versus year-to-date budget

63% of KPIs met or exceeded their targets (34/54)

- Q2 results are consistent with Q1
- Areas of under-performance – 3 waters; consenting timeliness; and ongoing impacts of COVID restrictions: waste diversion, compliance inspection activities, CCO's visitation, and parking occupancy.

Finance summary

- YTD net operating expenditure on budget despite a number of challenges impacting the P&L
 - Operational revenue pressures
 - Capital revenue impacts
 - Personnel cost pressures
 - Underspends in Contracts & Professional Cost
 - Unbudgeted items (e.g. WOW)

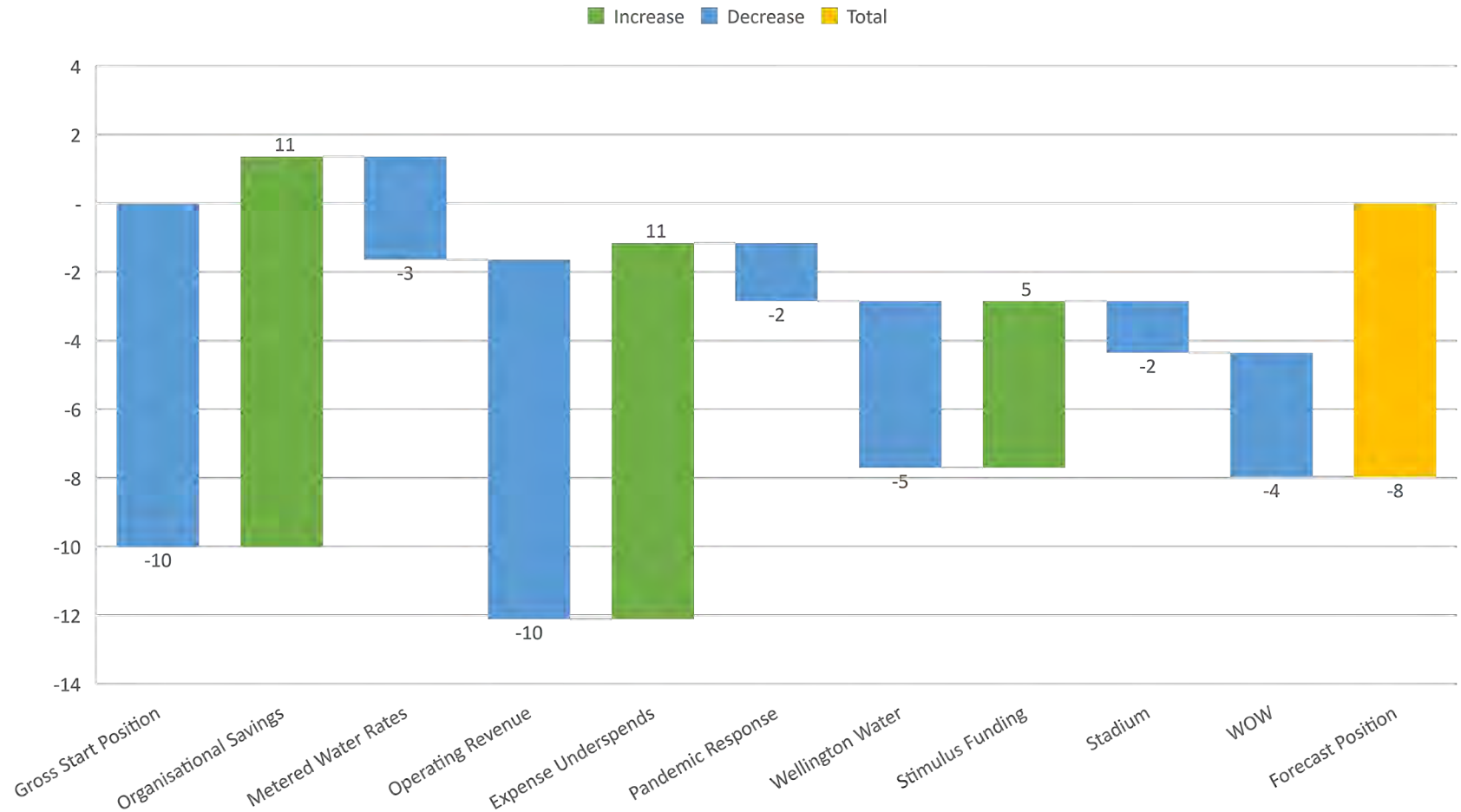
YTD Capital expense \$62.5m underspent 33%

- Difficult delivery environment
- December delivery was on budget - \$28m
- Forecast assumptions did not include Omicron

Q3 Forecast Currently being completed

Finance summary - Forward View

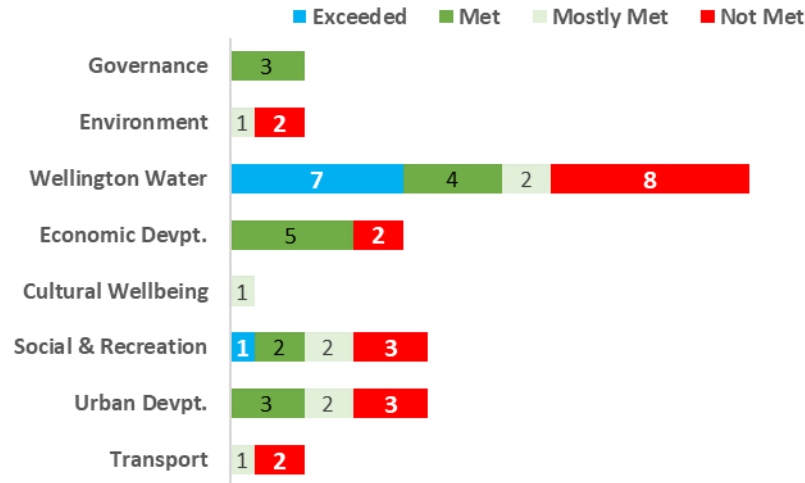
Estimated Change in Forecast Position



NOTE: Estimates, Q3 forecast currently being completed

KPI Results

- Overall performance is in line with previous quarter, 26 of the 28 exceptions were also reported in Q1
- 42 results remained largely unchanged, 11 measures improved slightly and 1 deteriorated (there was a further flooding event in December 2021)
- 63% of KPIs were within 10% or exceeded targets (67% reported in Q1), 34% (20) did not meet target
- Further detail on consenting performance follows



Building Consenting and Compliance - Current State Assessment

Finance and Performance Committee

March 2022

Absolutely Positively
Wellington City Council

Me Heke Ki Pōneke

Objective

- Review current BCC operation and benchmarking against peers
- Outline the current environment, challenges and issues
- Discuss current actions
- Note forecast performance

Current Building Team operation

BCC have maintained a stable workforce over the last 24 months at 4% turnover. Local Government is around 17%.

In 2021 Building Consents and Compliance (BCC) issued:

- 3,000 building consents
- 2,000 building warrant of fitness renewals
- 2,200 code compliance certificates
- 31,000 building inspections
- 928 new household units consented (apartments & homes)

Achieved 78% Consents issued within statutory timeframe for 2nd Quarter 2021/22.

Comparison to peers

- Metro Councils struggling to issue consents in 20 working days
- Smaller City and rural councils not struggling so much (likely result of complexity of construction)

Data: Mar - Sept 2021			Data: Jan –Dec 2021				
	% in 20 days	Average days issue consents	Number of Consents issued	Inspection done	Code Compliance Certificates	Building Warrant of Fitness	Population (Google)
Wellington City Council	90	11	3000	31,000	2,200	2,000	210,000
Auckland City	74	40	21,000	189,000	17,000	17,000	1,720,000
Hamilton City Council	98	17	2,291	15,000	1,517	2,200	187,000
Tauranga City Council	75	17	2,461	23,700	-	1,600	155,000
Christchurch City Council	64	20	4,948	30,500	3,985	5,200	389,000
Dunedin City Council	98	13	2,881	23,700	2,000	1,600	133,000
Kainga Ora (Consentium)	93	11	-	-	-	-	-

Current Environment

- Building Control performance is under pressure due to a scarcity structural engineering resources to process consents.
- Metro BCAs nationally are struggling to meet Statutory timeframes which are the same regardless of the complexity of the application. eg. Minor alteration or high rise building
- MBIE is experiencing the same contractor and expertise challenges which is affecting their delivery of services. e.g. Determinations have statutory timeframe of 60 days but some are taking up to 18 months.

Key Challenges and issues

Building Compliance & Consents - Structural and Geotechnical engineering

- Increased Structural and Geotechnical engineering requirements being applied due to learnings of Christchurch Earthquake
- Increased demand for skilled regulatory resource
- Large volume of complex applications requiring structural engineering input and review
- Reluctance of engineers to provide review services to Councils due to risk, liability and insurance

Land Information Memorandum (LIMS)

New lending requirements may require purchasers to obtain LIMs

- 25% increase in LIMs in 2021
- Staff retention an issue (40% turnover)
- Additional Staff have been appointed and timeframes are back on track

Key Challenges and issues (continued)

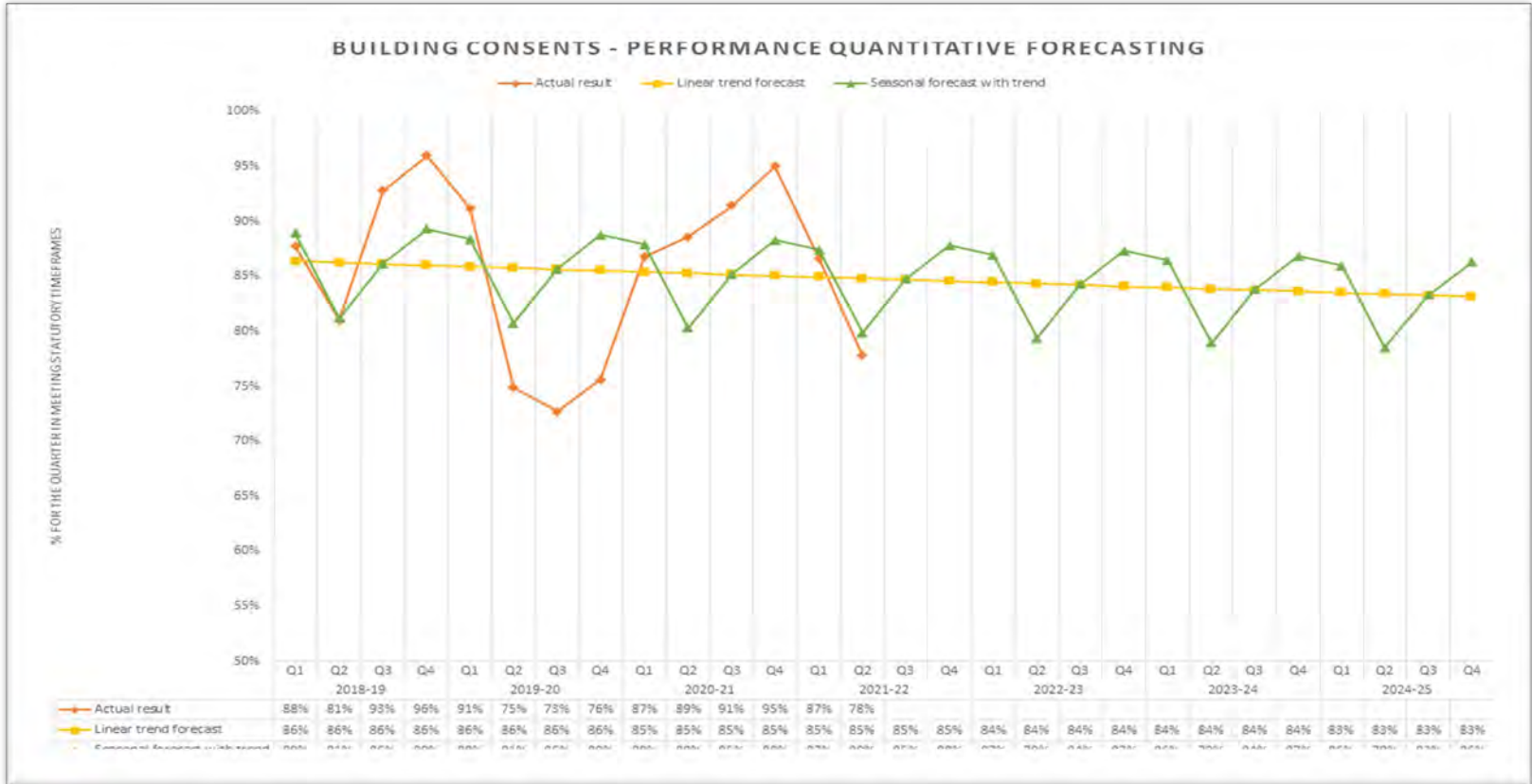
- Risk and Liability concerns causing large delays in finalising contracts with suppliers (engineers) due to insurance requirements
- Responding to demands on services in current COVID environment and the impact that may have on supply chains in the construction industry.

Current Remedial Actions

Additional Structural Engineering Capacity acquired and being urgently acquired.

- One firm has started in the last week. Contract currently being negotiated with an additional firm
- A firm already engaged has provided an additional staff member who has recently started.
- Another firm is providing one staff member part-time (to be increased) on a secondment basis. Started on 7 March
- Advertised for structural engineering staff to work for WCC to build better resilience to these shocks and for better workforce flexibility.
- Reached agreement on a short-term contract extension with one of our engineering firms to provide additional support to clear the backlog
- We continue to dive deep for resources to help...

Forecast level of service



Measure	LoS	Q1	Q2	Q3 Forecast
Building consents (%) issued within 20 workings days	100%	87%	78%	75%
Code of compliance certificates (%) issued within 20 working days	100%	93%	91%	92%
Land Information Memorandums (LIMs) (%) issued within 10 working days	100%	74%	4%	68% (currently 53%)

Questions

