



JULY
AUGUST
SEPTEMBER
2012



QUARTERLY REPORT



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CITY VITALS

Welcome to the new look Wellington City Council Quarterly Report. We are aiming to achieve two things from the changes to this report. Firstly, we want to present key information upfront about Council's activities over the quarter, as well as information relevant to our strategies from other sources. Secondly, we will provide commentary around that information so that you have a fuller picture of what it means for you, our city and our organisation.

In this quarter:

Key statistics reported in the **City Vitals** section of this report show that Wellington is weathering the current economic climate relatively well with only small reductions in GDP and a small increase in unemployment.

The **City Progress** section highlights the steps Council is taking towards achieving its priorities, particularly in terms of addressing issues around earthquake resilience and diversifying Wellington's economy.

The **Key Variances** section includes examples of areas where we are not achieving what we set out to deliver. In each case we identify the factors that are causing the variances and identify actions we plan to take to address them.

The schedules that follow these reports contain detailed information including a summary of achievements, performance and budget data. This is similar to information presented in previous reports.

We welcome your feedback on this report as we intend to continue to evolve its content and presentation to meet the needs of you, the reader.

City update – by the numbers

DYNAMIC CENTRAL CITY

GDP (Year to September)	\$13.55 Billion	Down 1% on previous year
Unemployment	6.7%	Up 0.2 % this quarter
Guest nights (year to August 2012)	International: 746,246	Up 2.7%
	Domestic: 126,9201	Down 6.5%

CONNECTED CITY

Airport arrivals	Total passengers in the 12 months to August – 5.22 Million.	International: up 9.8% Domestic: up 0.6%
CBD wi-fi logons	1.8 Million sessions in the scheme's first year.	

ECO CITY

Fuel sales	92.5 Million litres in 3 months to August – 463 litres/resident	Down 3% on prior 3 months
Public transport journeys	9,398,225	Down 1% on the same quarter last year
Tonnes litter collected by volunteers in our costal cleanup	1.5 tonnes (5 tonnes regionally)	

PEOPLE-CENTRED CITY

labour force participation (regional)	71.40%	Up 0.4% since 2010
Outdoor Sport games played played on our fields in the 3 months to September.	8859 hours of sport were (estimated)	79 minutes per resident equivalent
Crime (Year to June)	Assaults: 3988 (Down 11.2%); Theft: 14,304 (Down 7.1%)	
Library usage	3.9 items per resident issued this quarter, and 3.26 physical visits per resident	



CITY PROGRESS

City progress against our priorities

As part of the Long-Term Plan, the City Council agreed three priorities for the city – *That Wellington is an inclusive place where talent wants to live, a resilient city, and a well managed city*. These priorities were adopted to address immediate issues around earthquake preparedness and rates affordability while also taking important steps towards our desired outcomes and our long-term vision of *Wellington Towards 2040: Smart Capital*.

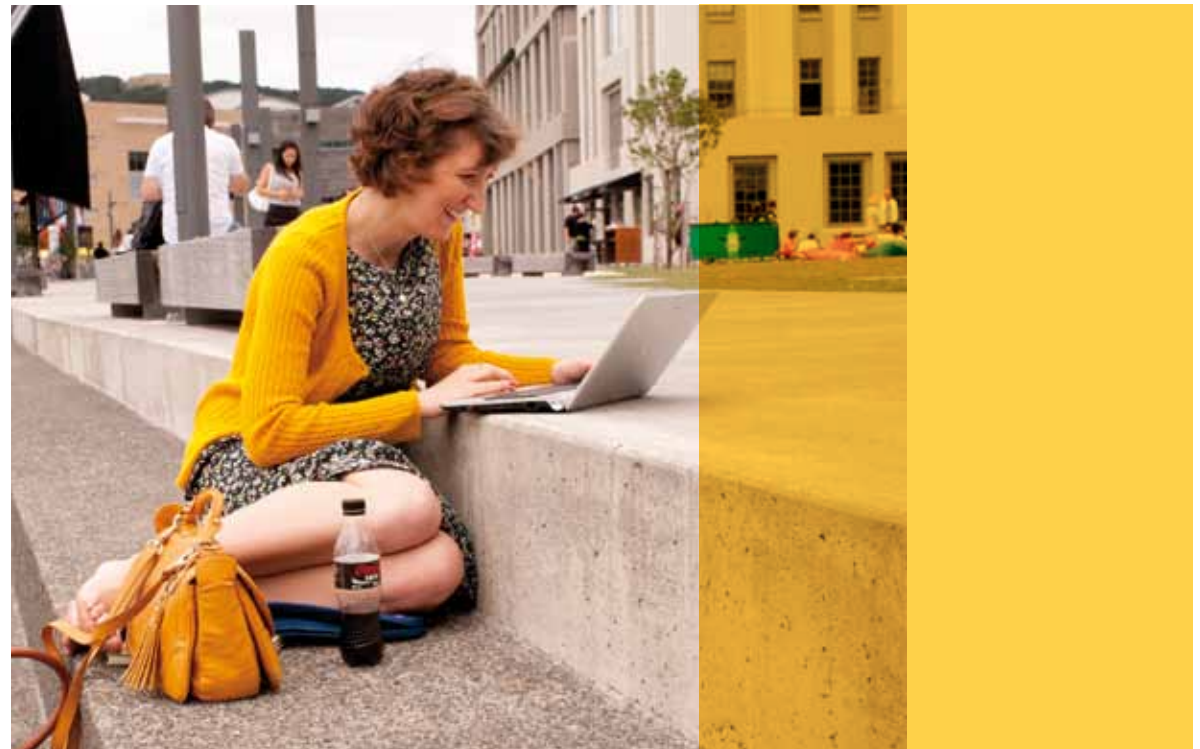
To achieve the three priorities we are focusing on five important areas. Wellingtonians identified these five areas in the lead up to, and during consultation on, the Long-Term Plan as important for the city. They are:

- Growing our economy
- Building resilience to earthquakes
- Transport
- Maintaining and enhancing our vibrant, creative liveable city
- Balancing our budget.

The next section outlines what the Council has delivered in the past quarter towards these five important areas. It also includes – where relevant - a high-level overview of what other agencies and government departments have contributed or are planning to contribute towards these five areas.

While it has only been three months since the 2012–2022 Long-Term Plan was adopted, the highlights identified below clearly show that – in partnership with central government and other agencies – progress is being made towards these goals.

Council agreed three priorities for the city – that Wellington is an inclusive place where talent wants to live, a resilient city, and a well managed city.



GROWING OUR ECONOMY

The city is getting more connected virtually

Work has started on the installation of new underground fibre-optic cables for ultra-fast broadband in the city. Churton Park was the first suburb to welcome the roll-out and the central city is scheduled for the coming months.

Ultra-fast broadband allows high data speeds that can better support services like internet television and our creative and digital industries.

Over the next few months, ducting to carry the fibre cables will be installed in streets around Pipitea, Thorndon and the central business district by Downer for Chorus and Crown Fibre Holdings. Work will continue next year in other parts of the central city.

And physically

As part of the Long Haul partnership, Wellington International Airport staff attended the World Routes Forum in Abu Dhabi. Meetings were held with three potential airline partners with whom we have been engaged in discussion for some time. Additional meetings were held with seven other airlines.

We have a plan in place to attract talent and business, and will partner with others to achieve economic prosperity

The Council approved the Destination Wellington programme, a ten year \$20 million fund to attract talent, investment and businesses to Wellington. The programme will be run by Grow Wellington and Positively Wellington Tourism and is a central plank of our Economic Development Strategy.

The Destination Wellington work programme aligns strongly with the recent announcement that the Wellington region will be one of three areas that will host the government's Advanced Technology Institute whose purpose is to "support firms in the manufacturing and services sector to improve competitiveness and growth through science and technology-based innovation and its commercialisation".

Also in the last quarter, Lightning Lab – an intensive incubation programme – was founded by Wellington's Creative HQ with the support of the Business, Innovation and Employment Ministry. The incubation programme will give promising companies the chance to go through a new three-month 'boot camp' with investment and mentoring to help them get off the ground.

There are strong synergies between these three programmes and agencies and they will help establish the necessary environment where businesses and ideas can get the resources to flourish and grow

Our relationship with the Chinese province of Zhejiang took a big step forward

The biggest Chinese delegation to visit Wellington signed an economic partnership agreement with the region's mayors. Zhejiang Governor Mr Xia Baolong led the 180-strong delegation. Zhejiang, on China's south-east coast, has a population of 54 million and an economy the size of Sweden's. With a GDP of more than \$US495 billion, Zhejiang is one of the most prosperous provinces in China, and the strategic economic partnership aims to increase opportunities for trade, study and increase exchanges between the regions.

The Zhejiang delegation was accompanied by a film crew working on a documentary capturing the region's best qualities and attractions

With the working title *Beautiful Wellington*. It will be broadcast in Chinese and English during prime time and is expected to be broadcast to more than 100 million viewers.

BUILDING RESILIENCE TO EARTHQUAKES

We hosted a series of community briefings with GNS Science to give the community a better understanding of the earthquake risk to the city.

The briefings – held throughout the city – explained what has been done and what is planned in the coming years to improve the resilience of our community and city infrastructure. The briefings are only part of Wellington City’s response to earthquake preparedness.

During the quarter, the city also had the highest level of participation in the ‘Shakeout’ test organised by the Ministry of Civil Defence and Emergency Management with thousands of participants registered in Wellington to practice ‘drop, cover, hold’. The city was also recognised by the global emergency management group – the International Association for Emergency Managers – for its ‘blue lines’ project which aims to raise community awareness on how to evacuate from an approaching tsunami.

We’re strengthening important city infrastructure

The community resilience work is only one arm of a number of different projects to make our city safer and more resilient in an earthquake. During the quarter essential quake-strengthening work

on the Karori Tunnel went ahead and work began on a new retaining wall on Glenmore Street. The work is part of a long-term programme to strengthen and protect important city transport routes. The Begonia House in the Botanic Garden was also strengthened during this period. Fifty two reassessments of city buildings were resolved and a further 84 earthquake prone notices were issued throughout the city as part of the ongoing assessment programme.

We’re collaborating with students on ideas to strengthen Cuba Street

Wellington architecture students have turned their creative talents to developing concept plans to strengthen Cuba Street’s historic buildings. A collaborative project is now underway which will see architecture students from Victoria University develop design concepts for the seismic upgrade of buildings in the Cuba heritage precinct. The City Council and the Historic Places Trust are supporting the project. The students will develop a model of how Cuba Street could look in 2032, illustrating how the buildings could complement the street environment.





We have budgeted \$80 million over the next 10 years to earthquake-strengthen essential city infrastructure and council owned buildings



TRANSPORT

In August NZTA announced a programme of investment in Wellington's land transport system over the next three years.

The programme is a \$1.25 billion package for the Wellington region that includes more than \$400 million to improve the Wellington Northern Corridor Road of National Significance, more than \$300 million for public transport, and over \$250 million for the day-to-day upkeep of regional roads. The package also includes funds for a range of long-term infrastructure projects and safety improvements. Key aspects of the funds include:

- \$415 million on projects to improve the flow of traffic into and around the city along the SH1 Northern Corridor and address the challenge of the safety and resilience of the region's road network.
- \$348 million in committed spending on regional bus and train infrastructure and services.
- \$260 million proposed spending on the operation, maintenance and renewal of the Wellington road network, including \$184 million on local roads (a 5.5% increase on the 2009–12 NLTP investment) and \$76 million on state highways.
- \$226 million on regional safety improvements, including improvements to the Mount Victoria and Terrace tunnels.

Funding also includes a package of benefits for pedestrians and cyclists, including the proposed progression of a cycleway linking Petone and Ngauranga.

Our region received about 10.2% of the total programme funding. Around 11% of New Zealand's population lives in the region.

Our focus continues to be on road safety and how it can be improved

We presented two independent reports to committee that looked at pedestrian safety along the Golden Mile, including additional measures that could be applied to improve overall safety on this transport route. The findings from the reports will inform steps the Council will take to improve pedestrian safety along the Golden Mile. A new signalised pedestrian crossing across Willis Street near Chews Lane has already been installed and began operating.



We also completed two new signal-controlled pedestrian crossings on Wakefield Street and Jervois Quay – the new crossings aim to provide a safe, direct walking route to the waterfront. New traffic lights in Courtenay Place also began operating in mid-September, improving the safety of the two pedestrian crossings near Blair and Allen streets and improving the effectiveness of the bus lanes.

Work has been completed on a \$330,000 traffic roundabout to improve safety for motorists, cyclists and pedestrians in Houghton Bay. The project at the intersection of Houghton Bay Road and The Esplanade includes a shared path for cyclists and pedestrians, a new car park, and pedestrian crossing points. The improvements come after a period of extensive consultation with local residents.



A new signalised pedestrian crossing across Willis Street near Chews Lane has already been installed and began operating.

MAINTAINING WELLINGTON AS A PLACE WHERE PEOPLE WANT TO LIVE

The first part of a \$1.5 million upgrade of Kilbirnie town centre began in September.

Kilbirnie town centre is a significant suburban area. Strategically located on the transport corridor between the Airport and the CBD, the town centre performs an important role as an employment and services hub for the southern and eastern suburbs.

With the help of the local community and businesses, the Council has developed a plan aimed at revitalising the town centre and creating an attractive, vibrant, people-friendly and prosperous part of Wellington City.

The work is focused on improving the main shopping street – Bay Road. This includes extending and improving the pedestrian areas and upgrading the lighting to help make the street safer at night.

And additional funding was allocated to Memorial Park

During the quarter the Council considered and supported legislation to enable Memorial Park, to be called Pukeahu, to be completed by Anzac Day 2015 – the centenary of the Gallipoli landings. A \$5 million Council contribution towards the project was agreed. A ‘cut and cover’ design will allow the Buckle Street section of SH1 to run under the new park. As well as offering another park for Wellingtonians to use throughout the year – important with the increasing inner-city population – Pukeahu will ensure greater safety for students travelling to and from Massey University, Wellington High School and Mt Cook School.

With the help of the local community and businesses, the Council has developed a plan aimed at revitalising the town centre



The social housing upgrade continues and the Regent Park housing redevelopment wins 2012 Resene Total Colour Residential Exterior Award

The upgrade of Central Park Apartments was completed in August and construction continues at Newtown Park Apartments with the site gradually being reoccupied. Tender documents were prepared for the Berkeley Dallard Apartments project during the quarter and other projects in design are Marshall Court and Kotuku Flats with a feasibility study is underway for Arlington Apartments. The Community Action team completed the fit out of the Central Park and Te Ara Hou community spaces.

Wellington City Council's new Regent Park housing development in Newtown –

designed by local architects Designgroup Stapleton Elliot – won the 2012 Resene Total Colour Residential Exterior Award and the Resene Total Colour Maestro Nighingale Award in August.

The ASB Sports Centre hosted a number of significant sports events

The events included the national handball championships, national futsal club championships, Wellington primary schools' netball championships, Wellington floorball open and the Ultimate Frisbee Association championships. The Centre also hosted a national provincial netball championship game and its first winter season of netball and basketball.

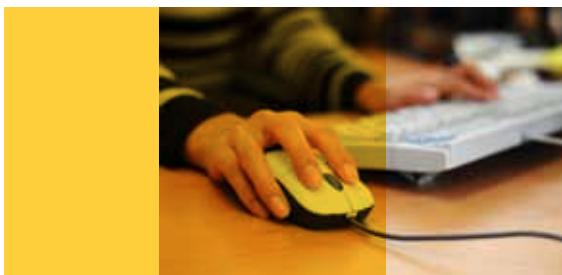


The Newtown Park upgrade also started – planning for the Newtown Park athletics track renewal has begun. The running track is to be replaced because of wear. The new track will be completed by January and open in time for another busy season of athletics meetings and college use over the summer.

A number of great events livened up the city

The World of WearableArt was once again a success with all performances selling out and more than 30,000 people from out town attending the event. The fourth annual Visa Wellington On a Plate festival was also held with more than 20,500 festival-goers participating in 106 festival events and enjoying set lunch and dinner menus at 108 participating restaurants over 17 days.

BETTER CUSTOMER SERVICE AND BALANCING OUR BUDGET



Applying for Council grant funding is now possible online

From August the paper-based grants process was replaced by a new online portal. The online system will be quicker and easier for customers to register and apply for funding, and once registered it will ensure assessments are done quicker and successful applicants will be able to report back to Council online.

The Council's new in-house printer is saving the organisation on printing costs

This year, there were savings made of 25% on the design and production of the 2012 Annual Report compared to last year's report. The majority of the cost savings came from reducing the print run and printing the report on Council's onsite printing facilities. This is also the first Annual Report to be displayed online as an e-book. Recognizing that more and more people are reading the Annual Report online, the e-book format makes it possible to read the Annual Report in a way that helps convey the feeling of a printed book, but online.



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GoGet

The quality and efficiency of our Building Warrant of Fitness (BWoF) services have been enhanced by the introduction of GoGet, an electronic processing tool and mobile system allowing the capture of all relevant information in one place.

GoGet automates the BWoF process by tracking the steps necessary to manage each of over 2,700 buildings for which the Council is responsible, including documentation checks, Requests for Information (RFIs) and checklists of inspections required before a BWoF can be accepted. GoGet automatically triggers status changes, updates data within the Council's TEAMwork system and creates relevant documents (audit reports, RFIs, etc) that then are pushed back to the Council's Document Management System via a web service.

The system maintains a complete history of all BWoF processes including noting matters of concern regarding any particular building and highlighting regular building compliance issues. GoGet is improving the level of building compliance, helping manage Council risk associated with the BWoF process and enhancing cost efficiency and customer service.

KEY VARIANCES

This section outlines key variances for the quarter, why they occurred and what follow up action is being taken. Note, the following section outlines variances that are the most significant and is not a complete list of all variances for the quarter. These can be found in each strategic area.

Another important point to note regarding variances is that, being the first quarter, for some activities there are timing and seasonal issues. There are many programmes and projects that are mostly carried out over the summer months (eg events, sealing roads etc) which can impact on results.



KEY PROJECT AND PROGRAMME VARIANCES

Tawa Pool Maintenance Closure

The refreshed Tawa pool is set to be reopened on November 17th by Mayor Celia Wade-Brown. The reopening will also mark the 40th anniversary of the opening of the pool and the day will have a 1970's theme.

The project has experienced delays due to earthquake strengthening works. The extent of the earthquake prone issue was not able to be anticipated before the work began, as unfortunately no drawings transferred with the facility from the Tawa Borough Council in 1989.

This meant that engineers needed time to develop a solution once the roof had been removed to ensure the refreshed facility would no longer be earthquake prone.

The reopened facility will be a more pleasant environment and far more energy efficient after the major overhaul. The roof structure has been replaced, a vapour barrier added, existing windows replaced with double glazing, and plant for the learners and toddlers pools has been upgraded to efficient modern equipment. The facility has also been completely redecorated including new pool upstand tiles, new flooring in the main pool and changing areas, and a larger refurbished mezzanine area.



Keith Spry Pool Upgrade and renewal

Work at the Keith Spry Pool will see the facility significantly improved as the facility is upgraded and major renewals work is completed.

The facility is set to have new changing rooms, additional pool space in the form of a teaching pool and small leisure pool, and the roof will be replaced.

Detailed design work has been completed for the new teaching and leisure pools, an assessment of earthquake prone issues completed and application for building consent has been lodged. We expect a request for tender to go to the market in the second quarter with the intention to have a preferred provider prior to Christmas. Construction work for the teaching pool and leisure pool is now planned to start early in the New Year.

Westchester Drive link road

This project involves constructing a new section of road linking Westchester Drive in Churton Park with Middleton Road in Glenside. Excavation works were delayed through winter and as a result the project is not expected to be completed until March 2013.

Good progress has been made on the two bridges at either end of the project and these are expected to be completed by the end of November. Construction of the Middleton Road roundabout is progressing, and with the completion of services work in and around the area of the roundabout, work will continue and be completed in the next quarter.

Work completed this quarter included the first section of road between Lakewood Ave and the Churton Park end bridge. This western end of the project has now been sealed and work will now start on forming the road from the eastern end of the project.



KEY PERFORMANCE MEASURE VARIANCE

Activity	Measure	YTD	YTD (target)	Variance	Comment
2.4	Harbour / coastal sites where faecal coliform bacteria counts are less than 2000 per 100 mls (%)	53%	80%	(33%)	Heavy rain prior to each of the three sample runs caused unfavourable results. Follow up measures have been within the guidelines.
2.4	Bathing beaches (%) – compliance with Ministry of Environment guidelines (green status)	70%	93%	(24%)	Most sampling days coincided with rain which has a negative impact on the readings.
6.2	Initial assessments of earthquake-prone buildings completed	5	125	(96%)	Process delayed temporarily whilst the backlog of responses from engineers was completed. Year end target is not at risk.
7.2	Parking: Level of occupancy (%)	57%	75%	(27%)	Occupancy continues to be low. Wardens observe that there are fewer cars on the street compared to historical levels.



CONSOLIDATED FINANCIAL OVERVIEW

Introduction The Council's consolidated financial position and performance for the period 1 July 2012 to 30 September 2012 is presented in this section. This includes a Statement of Financial Performance, a Statement of Financial Position, a Statement of Borrowings and an analysis by strategy area.

Positive numbers in the financial statements indicate a favourable variance from budget and negative numbers (represented by brackets) indicate an unfavourable variance from budget.

Detailed discussion in respect of strategy area revenue and expenditure for each activity is contained within the body of this report.

STATEMENT OF FINANCIAL PERFORMANCE	YTD Actual 2013-\$'000	YTD Budget 2013-\$'000	YTD Variance 2013-\$'000	Full Year Budget 2013-\$'000
Rates Income	59,128	60,177	(1,049)	240,709
Income from Activities	33,040	35,901	(2,861)	128,013
Lease Income	8,036	7,745	291	31,213
Interest Income	529	2	527	10
Other Income	783	601	183	11,661
Development Contributions	2,188	1,250	938	5,000
Total Income	103,704	105,676	(1,972)	416,606
General Expenses	42,375	46,042	3,667	173,855
Personnel Expenditure	22,663	22,666	2	90,976
Depreciation and Loss/Gain on Sale	21,894	22,620	727	91,703
Financing Expenditure	5,596	5,662	65	22,646
Total Expenditure	92,528	96,990	4,462	379,180
Net operating surplus/(deficit)	11,176	8,686	2,490	37,426

The year-to-date net operating surplus of \$11.2 million is \$2.5 million higher than the budgeted surplus of \$8.7 million. This favourable variance is attributable to a combination of factors as outlined over the page.

Income

- Year-to-date total income is under budget by \$2 million.
- Rates Income is \$1 million under budget – this is a timing difference on a budget of \$241 million.
- Income from activities is \$2.9 million under budget – mainly due to \$2.2 million timing recognition of the housing upgrade grant. The remainder is a shortfall in income from user fees and charges.
- Interest Income is \$527,000 over budget due to interest earned on money invested prior to spending taking place.
- Other income is over budget of \$183,000 mainly due to unbudgeted gains made when disposing of assets.
- Development contributions are \$938,000 over budget but given the downturn in development activity this is not expected to be favourable at the year end.

Expenditure

- Year-to-date total expenditure is under budget by \$4.5 million.
- General expenses are under budget by \$3.6 million – the majority of this is time-related on a total budget of \$175 million.
- Personnel expenditure is on budget.
- Depreciation and Loss/Gain on Sale is under budget by \$700,000 – mainly due to delays in the previous year’s capital investment programme.
- Financing expenditure is under budget by \$65,000 on a total budget of \$22.6 million mainly due to slippage in the current year capital programme.

STATEMENT OF FINANCIAL POSITION	YTD Actual 2013–\$'000	YTD End 2012–\$'000
Current assets	93,498	71,656
Non-current assets	6,488,323	6,480,586
Total assets	6,581,821	6,552,242
Current liabilities	232,999	224,676
Non-current liabilities	284,429	272,734
Total liabilities	517,428	497,410
Net assets / equity	6,064,393	6,054,832

- The increase in current assets primarily reflects increased short term investments due to receipt of housing grant and prepayments offset by lower income accrued.
- The increase in non-current assets primarily reflects the capitalisation of new assets offset by increased depreciation.
- The increase in current liabilities primarily reflects higher revenue in advance offset by lower payables.
- The increase in non-current liabilities primarily reflects the increase in long term borrowing.

BORROWINGS

- Total committed facilities as at the end of September were \$423 million, up from \$411 million at the end of June. Additional facilities are taken on as required to maintain required liquidity levels and to pre-fund maturing borrowings.
- Total net borrowings at 30 September 2012 were \$322.5 million giving liquidity headroom of \$100.5 million. Gross borrowings were \$371.5 million and at the end of September we held \$49 million in bank deposits arising from the housing grant, rates and pre-funding of October stock maturities.
- In October we have the anniversary of the Westpac \$20 million four-year facility and the BNZ \$40 million six-year facility. We are extending these facilities for one year on each anniversary to maintain the term of the facility. These will be completed before the end of October.



STATEMENT OF BORROWINGS

	YTD 30 September 2012 \$'000	30 June 2012 \$'000
30 September 2012		
Facilities at start of year	411,000	391,000
New/matured facilities (net)	12,000	20,000
Facilities at end of period	423,000	411,000
Borrowings at start of year	337,760	310,000
Change in core borrowing + (-)	7,316	27,760
Repayment of loans + (-)		
Change in working capital requirement + (-)	(22,576)	
Net borrowings at end of period	322,500	337,760
plus unutilised facilities	100,500	73,240
Total Borrowing Facilities Available	423,000	411,000

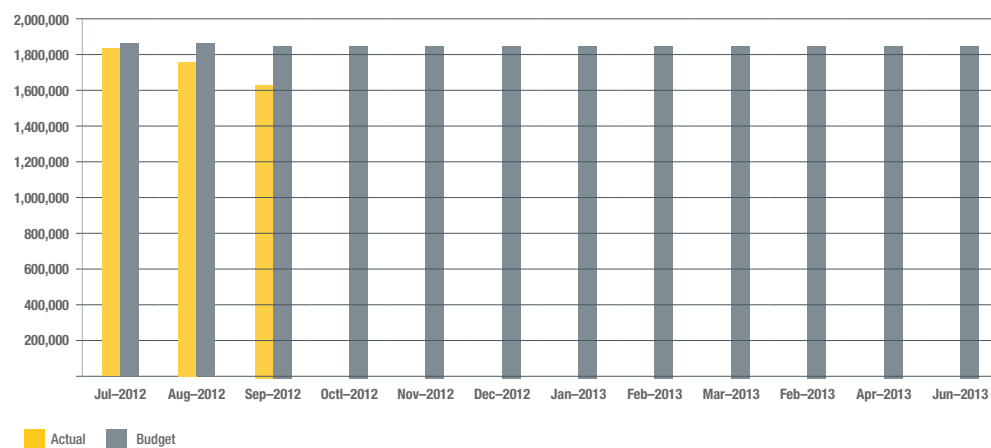
*Note: 'Borrowing Facilities excludes \$5m of uncommitted funding lines

*Facilities do not include short term commercial paper or deposits

Cost of funds

- Net interest for the month of September was \$1.63 million compared to the plan of \$1.88 million – a favourable variance of \$250,000 for the month. YTD net interest is \$422,000 favourable to plan.
- The favourable variance is due to lower debt levels with the capex under-spend YTD of \$14 million and lower interest rates.

INTEREST EXPENSE 2012/13



Year to date net interest is \$422,000 favourable to plan.

Treasury policy compliance

At 30 September 2012 all of the core policy compliance requirements were achieved as shown in the table below.

Prudential Treasury Limits

Prudential limits	Policy Limit	Actual	Compliance
Borrowings as a % of equity	<10%	5.1%	Yes
Borrowings as a % of income	<150%	77.4%	Yes
Net interest as a % of annual rates income	<15%	9.0%	Yes

Notes:

* Equity is based on the 30 June 2012 annual report Equity

* Net interest, Annual Rates and Income are based on 2012/13 annual plan

Interest rate risk control limits (interest rate exposure)	Policy Limit	Actual	Compliance
Fixed interest proportion	50%–95%	76%	Yes
Broken down as follows:			
1–3 year bucket	20%–60%	21%	Yes
3–5 year bucket	20%–60%	27%	Yes
5–10 year bucket	30%–60%	52%	Yes

Liquidity/funding risk (access to funds)	Policy Limit	Actual	Compliance
Liquidity/funding risk (access to funds)	>110%	113%	Yes
Broken down as follows:			
0–3 year bucket	20%–60%	48%	Yes
3–5 year bucket	20%–60%	31%	Yes
5–10 year bucket	15%–60%	21%	Yes

Notes:

* "Liquidity" is defined as: Current borrowings + committed loan facilities divided by 12 month peak borrowings (for the purposes of measuring liquidity short dated Commercial Paper is excluded)

Local Government Funding Agency

- The Local Government Funding Agency has published its first annual report for the part year to 30 June 2012 and has performed ahead of the establishment plan.
- We have received notice from the LGFA of Kapiti Council joining as an additional guarantor.
- A further share issue for those councils that did not participate in the establishment round is due later this year.

Markets

- With the European economic crisis still hanging over the markets we will continue to maintain our strategy of pre-funding maturing debt in advance of maturity dates.
- The outlook for interest rates is relatively benign and we continue to extend our interest-hedged positions to maintain a high degree of hedging in the greater than five year term where long term hedging at around 4% can be attained.

Credit rating

- Standard & Poor's commenced its annual review of our credit rating in early September with a half day of meetings and presentations. The result of the rating review should be known over the next few weeks.

NET OPERATING EXPENDITURE BY STRATEGY AREA

Net Operating Expenditure by Strategy Area	YTD Actual Net Expenditure 2013 \$000	YTD Budget Net Expenditure 2013 \$000	YTD Variance Net Expenditure 2013 \$000	Budget CY (Revised – Final) Full Year \$000s
Governance	3,449	3,717	268	14,903
Environment	30,987	31,575	587	125,125
Economic Development	3,695	4,704	1,008	19,404
Cultural Wellbeing	3,979	4,665	686	16,852
Social and Recreation	5,098	3,781	(1,317)	26,825
Urban Development	3,484	3,562	78	15,092
Transport	4,885	4,987	101	20,338
Total Strategy Area	55,578	56,990	1,413	238,540
Council	(66,754)	(65,677)	1,077	(275,967)
Net Operating Expenditure	(11,176)	(8,686)	(2,490)	(37,427)

Capital expenditure by strategy area (including carry forward projects)

Net Operating Expenditure by Strategy Area	YTD Actual Expenditure 2013 \$000	YTD Budget Expenditure 2013 \$000	YTD Variance Expenditure 2013 \$000	FULL Year Budget Expenditure 2013 \$000
Governance	13	20	7	31
Environment	5,782	7,847	2,066	32,439
Economic Development	(1)	1,807	1,808	7,230
Cultural Wellbeing	2	0	(2)	40
Social and Recreation	13,964	19,418	5,454	55,132
Urban Development	3,525	3,594	(69)	12,524
Transport	7,295	10,303	3,007	40,731
Total Strategy Area	30,580	42,990	12,409	148,126
Council	(1,624)	(3,271)	1,647	19,572
Total Capital Expenditure	32,204	46,261	14,055	(167,699)