



APPENDIX 1: QUARTERLY REPORT

1 OCTOBER – 31 DECEMBER 2013

PERFORMANCE SUMMARY: BY ACTIVITY AREA

1. GOVERNANCE	2
2. ENVIRONMENT	4
3. ECONOMIC DEVELOPMENT	6
4. CULTURAL WELLBEING	7
5. SOCIAL AND RECREATION	9
6. URBAN DEVELOPMENT	11
7. TRANSPORT	12

1. GOVERNANCE

Pārongo ā-Tāone

We want to involve people and maintain their confidence in our decision-making.

We have an obligation to ensure the views of Māori and mana whenua are heard.

WHAT WE DO

- City governance and engagement
- Civic information
- City archives
- Māori and mana whenua partnerships.

HIGHLIGHTS OF THIS QUARTER

- Adopted the 2014/15 Draft Annual Plan for consultation with the public
- Decided to lift the incomes of 450 of our lowest-paid employees to a living wage rate
- Conducted the triennial elections; the 2013 election saw an increase in turnout over 2010 (from 39.54% to 41.43%). Wellington City was the only large metropolitan council to record an increase in voter turnout. Record number of 1569 special votes issued and 1128 returned.
- Held the inauguration of the new Council and Community Boards
- Completed induction and training of the new Council
- Adopted and implemented a new governance structure for the Council
- Appointed and trained District Licensing Committee members
- Continued to appraise, arrange and describe the backlog of records held at City Archives to increase accessibility for staff and the public
- Supported over 80,391 customers in phone, email and text fix-it interactions through the Contact Centre
- Continued planning for Matariki with a meeting hosted by mana whenua and Council
- Hosted approximately 100 newcomers at He Kāinga Hou – A New Home: In the Footsteps of Kupe, at Te Kura Kaupapa Māori o Ngā Mokopuna (in conjunction with the kura whānau and mana whenua)

SIGNIFICANT VARIANCES TO PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Explanation
Council, committee and subcommittee reports that are made available to the public 5 days prior to the meeting (%)	48%	80%	(40%)	This result was due to the implementation of the new governance structure and the early adoption of the Draft Annual Plan.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
1.1 Governance, Information & Engagement	8,501	8,718	218	16,074	16,359
1.2 Māori Engagement (Mana Whenua)	170	195	25	225	225
TOTAL	8,670	8,913	243	16,299	16,584
Variance explanation: Under budget due to timing of expenditure on Smart Energy Capital and the Home Energy Saver programmes and savings on organisational overhead allocations.					

¹ Areas where performance varied from budgeted expectations by more than 10%.

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
1.1 Governance, Information & Engagement	4	64	61	4	110
1.2 Māori Engagement (Mana Whenua)	0	0	0	0	0
TOTAL	4	64	61	4	110
Variance explanation: No significant variance					

2. ENVIRONMENT

Taiao

We aim to protect and enhance Wellington's natural environment.

WHAT WE DO

- Gardens, beaches and green open spaces
- Waste reduction and energy conservation
- Water
- Wastewater
- Stormwater
- Conservation attractions.

HIGHLIGHTS OF THIS QUARTER

- Completed Spring Festival and held the Truby King Park 'The Secret Garden' Open Day
- Completed repiling work on the Halfway House and began general restoration work on the exterior of the house
- Awarded Green Flag accreditation for Oruaiti Reserve (world wide recognition of excellence)
- Supported a number of summer scholars from Victoria University of Wellington with internships. Students are researching a variety of subjects, from the relationship between pests and pipes, utilising open space tracks as commuter links, and valuing Wellington Botanical Gardens
- Completed and forwarded the first draft of the Wellington Town Belt Bill to Parliamentary Counsel Office for their review. A final draft will be presented to Council for approval to consult in March 2014
- Supported 7 projects with \$22,000 through the Our Living City Fund, including a partnership with Conservation Volunteers to support bird life in and around the Town Belt; and students from Victoria University Society for Conservation Biology will continue their efforts to improve native species in the Kumototo Forest
- Demolished six small reservoirs that did not meet health and safety standards and were surplus to requirements
- Completed seismic strengthening upgrades on the Johnsonville (No1) reservoir
- Re-opened Tasman Street after the completion of the stormwater upgrade
- Displayed the Aquarius water conservation education tool to over 1000 students and adults at Raroa School, resulting in increased awareness of the value of tap water and a greater understanding of how to conserve water
- Resolved some major leak issues in Tawa as part of the ongoing leak detection programme. This has resulted in a saving of approximately 16% (200 m³) per day of water.

SIGNIFICANT VARIANCES TO PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance Explanation
Kerbside recycling collected (tonnes)	5,923	6,901	(14%)	This result is due to contaminated recycling being left at kerbside. In these circumstances, we continue to remind the homeowners of their obligations of what to include / exclude.
Freshwater - sites (%) within acceptable faecal coliform counts	81%	95%	(14%)	Investigations have been continuing in four areas: Johnsonville; Karori; Belmont Gully; and Cumming Parks. We have found some faults in the private and public network in these areas. Some of them have been fixed and the remaining are being addressed.
Bathing beaches (%) - compliance with Ministry of Environment guidelines (green status)	81%	95%	(15%)	This result can largely be attributed to heavy rainfall events that coincided with testing/sampling days. Weather events combined with other environmental factors resulted in some non-compliance with the Ministry's guidelines.

NET OPERATING EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
2.1 Gardens, Beaches and Open Space	13,920	13,637	(283)	26,966	27,255
2.2 Waste Reduction & Energy Conservation	(408)	612	1,021	39	450
2.3 Water	18,826	19,389	563	38,138	38,700
2.4 Wastewater	19,106	19,709	603	38,863	39,268
2.5 Stormwater	8,744	9,136	391	17,525	18,090
2.6 Conservation Attraction	2,938	2,889	(48)	5,967	5,779
TOTAL	63,124	65,372	2,247	127,499	129,542
Variance explanation: Under budget due to: higher than budgeted volumes of rubbish bag sales, savings on landfill operation contract and depreciation costs; lower Bulk Water charge from Greater Wellington Regional Council and less expenditure on reactive maintenance; lower volumes of sludge disposal at landfills; lower electricity costs at treatment plants and a delay in the CCTV monitoring programme; savings in insurance costs; and savings in the Roading Corridor contract.					

CAPITAL EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
2.1 Gardens, Beaches and Open Space	1,119	1,918	798	3,254	3,554
2.2 Waste Reduction & Energy Conservation	167	389	223	385	2,007
2.3 Water	5,780	5,789	9	12,103	12,578
2.4 Waste Water	2,351	3,442	1,091	8,242	8,242
2.5 Stormwater	1,810	1,786	(24)	5,220	5,220
2.6 Conservation Attractions	380	1,402	1,022	2,586	3,070
TOTAL	11,607	14,726	3,119	31,791	34,671
Variance explanation: Under budget mainly due to timing changes. These include changes to the schedule for: beautification works at Alex Moore park and Grasslees reserve; minor works at the Botanic Garden and in coastal areas; and delays in the resource consent process for the Southern Landfill stage 4 extension.					

3. ECONOMIC DEVELOPMENT

Mauri mahi, mauri ora; mauri noho, mauri mate

“Industry begets prosperity (security); idleness begets poverty (insecurity)”

WHAT WE DO

- City promotions and business support

HIGHLIGHTS OF THIS QUARTER

- Destination Wellington continued to undertake business, international student, talent and investment campaigns and lead generation activities (See Key Programmes). Highlights included:
 - 130 leads generated from international student campaigns in Asia
 - 2 direct foreign investment deals resulted of activities between NZ Venture Investment Fund and Taiwan businesses.
 - Lead generation is growing as a result of earlier business attraction, film and screen campaigns
- Adopted a growth agenda to grow the value of the local economy and transform the way the Council provides services.

SIGNIFICANT VARIANCES IN PERFORMANCE¹:

SERVICE DELIVERY

No significant variance.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
3.1 City Promoion & Business Support	9,967	9,593	(374)	18,626	18,894
TOTAL	9,967	9,593	(374)	18,626	18,894
Variance explanation: over budget due to timing of event support payments.					

CAPITAL EXPENDITURE

Outcome Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
3.1 City Promotion & Business Support	2,048	1,835	(213)	4,295	4,295
TOTAL	2,048	1,835	(213)	4,295	4,295
Variance explanation: over budget as Venues renewals programme was slightly ahead of schedule.					

4. CULTURAL WELLBEING

“He Kuru te toiora ahurea tangata”

“A person’s cultural wellbeing is precious; the value of a human being and the contribution each makes to the wellbeing of the group.”

WHAT WE DO

- Arts and cultural activities

HIGHLIGHTS OF THIS QUARTER

- Opened a new Courtenay Place Park light box exhibition and supported seven temporary public art projects including *Kumutoto Stream* by Kedron Parker and *The High Point* by Lucy Orbell (via the Public Art Fund)
- Acquired five artworks for the City Art Collection by Wellington artists Sheyne Tuffery, Gary Peters and Brendon Wilkinson
- Delivered three exhibitions at Toi Pōneke
- Facilitated a Pilot Dance Residency at Toi Pōneke in partnership with Muted Crane Productions’ Java Dance and Biped Productions
- Selected the 2014 Whitireia NZ Artist in Residence (a joint effort between Toi Pōneke and Whitireia NZ)
- Completed the Mt Cook mural project in partnership with local residents and artist Xoe Hall. Completed and launched Paint Up, comprising 2 large-scale murals by Berhampore and Newtown Schools in collaboration with professional artists
- Concluded the WARE artist in residence programme (a WCC and Asia NZ Foundation partnership) - renowned Chinese artist Li Xiaofei exhibited at Toi Pōneke Gallery while resident here in Wellington. John Lake was resident at Red Gate Gallery, Beijing and exhibited work at 2 locations there, made many contacts and is planning to go back later this year (2014)
- Completed stage one of consultation for the Toi Pōneke Review
- Wellington joined the World Tourism City Federation
- Facilitated a delegation of Wellington residents to China with the support of the Wellington Xiamen Association
- Delivered the Diwali Festival, Sky Show and Capital Christmas including the Santa Parade
- Supported 22 projects with \$91,765 through the Arts and Culture Fund. These included Arts Access Aotearoa, who will be building more capacity in the arts sector for audio description; and Barbarian Productions, the Shakespeare Globe Centre, and The Young and Hungry Arts Trust who work with young practitioners to develop their work, creating new shows and developing their skills as actors, directors and producers.

SIGNIFICANT VARIANCES IN PERFORMANCE¹:

SERVICE DELIVERY

No Significant Variance.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
4.1 Galleries and Museums	8,888	8,909	21	16,356	16,349
TOTAL	8,888	8,909	21	16,356	16,349
No significant variance					

CAPITAL EXPENDITURE

Outcome Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
4.1 Galleries and Museums	0	13	13	26	26
TOTAL	0	13	13	26	26
No significant variance					

5. SOCIAL AND RECREATION

Whāia ngā mahi a te rēhia

“Engage in the pursuit of pleasure”

WHAT WE DO

- Recreation promotion and support
- Community support
- Public health and safety.

HIGHLIGHTS OF THIS QUARTER

- Distributed funding to seven sports organisations through the Sport Talent Development Programme
- Hosted several events:
 - ASB Sports Centre – National Judo Championships; Series 2 of National Futsal League; LePenina Pasifika netball and volleyball tournament; Wellington Primary School Eastern Zone miniball tournament; Wellington Intermediate School basketball tournament; Wellington College Sport Junior volleyball tournament; and New Zealand Basketball Academy training camps
 - Wellington Regional Aquatic Centre – Asia Pacific Diving Championships and NZ Under 14 Waterpolo Championships
- Commenced planning work on the drainage upgrade for Nairnville Park sportsfield
- Commenced development work on Seaforth Memorial Garden at Karori Cemetery
- Increased customer borrowings of e-books in 2013 (from 47583 to 85034)
- Held 12 evening family story times, with 517 people, across all libraries in December
- Installed water tanks at schools for use by the community in an emergency (in partnership with the Ministry of Education).
- Assisted the police with a crime prevention programme, which highlighted ways to prevent burglaries from homes and cars
- Developed an online resource to assist community-run community centres (in partnership with Wellington Community Law)
- Trialed a community composting scheme (Urban Agriculture Programme)
- Developed a place-based programme of activities responding to emerging issues, such as graffiti clean ups and community garden initiatives
- Managed and mitigated risks and issues as part of a transition programme for the new alcohol law changes (December 18)
- Undertook seismic strengthening at the Whare Ahuru (Northland) housing units
- Held the official launch of Newtown Park Apartments
- Installed access to digital TV at over 650 social housing units (Going Digital Project)
- Awarded the Australasian Housing Institute (AHI) Award 2013 for Excellence in Social Housing, and a range of architecture, social housing and paint awards for Central Park and Newtown Park Apartments
- Appointed a District Licensing Committee of community members to determine all Council alcohol licensing decisions from 20 December 2013
- Implemented all Sale and Supply of Alcohol Act 2012 regulatory changes in accordance with Ministry of Justice requirements.

SIGNIFICANT VARIANCES IN PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance Explanation
Visits to facilities: ASB centre (peak)	185,965	249,234	(25%)	This result did not meet target due to lower bookings on Friday evenings and Sundays. Programme development is in a growth stage at this time.
ASB Centre Courts utilisation (peak)	46%	61%	(25%)	Peak utilisation was below target as programme development was still occurring, but in a growth phase.
Occupancy rates (%) of Wellington City Council Community Centres and Halls	33%	60%	(45%)	There has been a change to the methodology for calculating occupancy rates, which means we do not expect to be able to meet this target at year-end. The target will be reviewed in 2015/16 to align with the new methodology.
Dog control - complaints received (% of registered dogs)	3%	2%	(38%)	Dog complaints are slightly above target. There is no clear pattern to the complaints or any obvious concerning trend indicated by the types of complaints.
Percentage of planned inspections carried out for high risk (category 3) premises	40%	50%	(20%)	This measure has been affected by the priority given to the implementation of liquor legislation and the recruitment and training of new inspections staff.
Libraries website visitor sessions	1,143,031	600,000	91%	Increased awareness and usage of the Libraries' website has resulted in an exceptional result for this measure.
Percentage of inspections carried out for high risk premises (category 3) carried out during high trading hours.	58%	25%	131%	This result has increased due to reallocation of inspection resources to monitor liquor premises at peak trading. This is a proactive response to changes and expectations under new legislation, and is a new joint monitoring initiative with key partners NZ Police and Regional Public Health. It is anticipated that the Council will continue to exceed the target as a result of this approach.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
Recreation Promotion & Support	13,498	13,062	(436)	25,944	25,522
Community Support	2,992	(2,017)	(5,009)	2,704	(591)
Public Health and Safety	4,419	3,806	(613)	8,149	7,729
TOTAL	20,909	14,851	(6,058)	36,797	32,660
Variance explanation: Over budget due to decreased revenue, timing changes, and unbudgeted costs. This includes lower swimming pool revenue (mainly fitness centres and learn to swim programmes); increased sportfields costs from advancing renovation work; delayed timing of grant income recognition for the Housing Upgrade project; and unbudgeted costs to implement legislative changes in the Sale and Supply of Alcohol Act 2012.					

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
Recreation Promotion & Support	2,339	4,650	2,311	8,471	11,267
Community Support	14,713	22,706	7,993	35,734	39,384
Public Health and Safety	419	463	44	866	866
TOTAL	17,471	27,820	10,349	45,071	51,517
Variance explanation: Under budget mainly due to timing changes with: the upgrade of the Keith Spry Pool; the new synthetic turf at Alex Moore Park; the Housing Upgrade project; and renewal of housing assets.					

6. URBAN DEVELOPMENT

“Ka mate kāinga tahi, ka ora kainga rua”

We want to involve people and maintain their confidence in our decision-making.

We have an obligation to ensure the views of Māori and mana whenua are heard.

WHAT WE DO

- Urban planning and policy
- Building & development control.

HIGHLIGHTS OF THIS QUARTER

- Closed the Town Hall for Earthquake strengthening and progressed decommissioning works
- Completed strengthening of Tawa Library
- Undertook tender planning for Portico deconstruction
- Finalised a contract with the Christchurch City Council to assist with the processing of building consents.

SIGNIFICANT VARIANCES IN PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance Explanation
Initial assessments of earthquake-prone buildings completed	202	320	(37%)	The 2013 Wellington Earthquakes (July/August) have diverted engineering resource temporarily; engineers are now in a position to re-focus on this work, and believe that this target can be achieved by year end.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
6.1 Urban Planning and Policy	3,529	3,632	103	7,081	7,254
6.2 Building & Development Control	5,495	4,279	(1,216)	9,556	8,910
TOTAL	9,024	7,911	(1,113)	16,638	16,163
Variance explanation: Over budget due to costs relating to the demolition of the lift shaft in Luke's Lane. These costs are expected to be recovered. Building consent revenue is also under budget.					

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
6.1 Urban Planning and Policy	5,485	5,543	58	13,322	15,127
6.2 Building & Development Control	2,874	4,076	1,202	13,856	13,856
TOTAL	8,359	9,619	1,260	27,178	28,983
Variance explanation: Under budget due to delays in Urban Design projects and timing changes with earthquake strengthening. Timing issues with Clyde Quay, Laneways and Tinakori projects were offset by approved overspend on Shed 6 earthquake strengthening. It is expected that funding will need to be carried forward for Laneways phase 2, Parliamentary precinct and possible changes to the Waterfront development programme.					

7. TRANSPORT

“He ihu waka, he ihu whenua”
 “A canoe bow, a headland”

WHAT WE DO

- Transport
- Parking.

HIGHLIGHTS OF THIS QUARTER

- Completed design option report for Hataitai Bus Tunnel and agreed on preferred option for strengthening
- Undertook a detailed scheme assessment for Johnsonville jointly with NZTA following its qualified funding approval. This comprises a package of transport investments in the Johnsonville transport network to deal with current and projected requirements for the area.
- Committed \$4.3 million to cycling infrastructure as part of the 2014/15 Draft Annual Plan
- Completed initial options investigation for the proposed cycle route between Island Bay and the CBD
- Conducted consultation on the Public Transport Spine Study
- Decided to bring parking services in-house
- Closed the Request for Proposal for parking enforcement and back office ticket processing on 21 October
- Installed EFTPOS at the Clifton car park facility as a method of payment, which is proving to be a popular option.

SIGNIFICANT VARIANCES IN PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	Var	Variance Explanation
Quarry - legislative compliance	Not-Achieved	Achieved	(100%)	There was an environmental breach under resource consent to the quality of water discharged to the stream. This is considered a minor issue by the Regional Council and no formal enforcement action has been taken. Work is being done to remedy the issue.
Vehicle Network - Requests for service response rate - (urgent within 2 hours)	81%	100%	(19%)	This target was not met as the June storm and July earthquake have required resources to be directed to a higher volume of urgent response work.
Vehicle Network - Requests for service response rate - (non-urgent within 15 days)	88%	100%	(12%)	This target was not met as the June storm and July earthquake have required resources to be directed to a higher volume of urgent response work.
Cable car passenger numbers	424,034	516,400	(18%)	Patronage has improved in this quarter, but continues to be behind target. Usage has been negatively impacted from Quarter One due to construction-related breakdowns compounded by a mild winter. Improved bus routes and availability of Snapper continue to have a negative impact on student usage.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act \$000's	Bud \$000's	Var \$000's	Forecast \$000's	Bud \$000's
7.1 Transport	17,901	18,807	906	36,273	37,057
7.2 Parking	(8,056)	(8,021)	35	(14,352)	(15,638)
TOTAL	9,845	10,786	941	21,920	21,419

Variance explanation: Under budget due to timing delays resulting from the June storm event, savings on electricity costs for the streetlight network, and lower than budgeted income from parking enforcement. Lower parking enforcement revenue is currently being offset by



higher parking meter revenue and lower enforcement operating costs.

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Act \$000's	Bud \$000's	Var \$000's	Forecast \$000's	Bud \$000's
7.1 Transport	10,783	15,370	4,586	32,691	33,391
7.2 Parking	0	0	0	1	1
TOTAL	10,783	15,370	4,587	32,691	33,391
<p>Variance explanation: Under budget due to timing delays resulting from the June storm event, and delays on the Karori wall, rubbish bin trial and Hataitai bus tunnel upgrade projects.</p>					