
ORDINARY MEETING

OF

WELLINGTON CITY COUNCIL

AGENDA

Time: 05.30pm
Date: Wednesday, 29 June 2016
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

MEMBERSHIP

Mayor Wade-Brown
Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Eagle
Councillor Foster
Councillor Free
Councillor Lee
Councillor Lester
Councillor Marsh
Councillor Pannett
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Councillor Woolf
Councillor Young

Have your say!

You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 803-8334, emailing public.participation@wcc.govt.nz or writing to Democratic Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number and the issue you would like to talk about.

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1 Meeting Conduct

1.1 Apologies

The Chairperson invites notice from members of:

1. Leave of absence for future meetings of the Wellington City Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

1.2 Announcements by the Mayor

1.3 APW Awards

1.4 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.5 Confirmation of Minutes

The minutes of the meeting held on 11 May 2016 will be put to the Council for confirmation.

1.6 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of the Wellington City Council

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor Matters relating to the General Business of the Wellington City Council

No resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Wellington City Council for further discussion.

1.7 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 3.23.3 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

2. General Business

ADOPTION OF THE 2016/17 ANNUAL PLAN

Purpose

1. This report provides for the adoption of the 2016/17 Annual Plan incorporating decisions and recommendations of the Governance, Finance and Planning Committee of 1 June 2016.

Summary

2. The Council's 2016/17 Annual Plan is provided for adoption. This follows:
 - Preparation and workshops with Councillors
 - Pre-engagement round prior to formally consulting on the Annual Plan
 - Special consultative procedure in March and April 2016
 - Oral hearings on the proposed Annual Plan
 - Governance, Finance and Planning committee deliberations on community feedback in early June 2016.

Recommendations

That the Council:

1. Receive the information.
2. Note that the 2016/17 Annual Plan (refer to Attachment 1) has been prepared based on the decisions and recommendations of the Governance, Finance and Planning Committee meeting of 1 June 2016 following the special consultative procedure.
3. Agree to the changes to the Waterfront Development Plan as included in the 2016/17 Annual Plan.
4. Note that the Draft Low Carbon Capital Plan was consulted on as part of the 2016/17 Annual Plan and received broad public support.
5. Agree to adopt the 2016-18 Low Carbon Capital Plan (refer to Attachment 2).
6. Note that establishment of an Urban Development Agency was consulted on as part of the 2016-17 Annual Plan and received broad support.
7. Agree to the establishment of an Urban Development Agency (UDA) subject to the further work set out in recommendation 8 of this report being completed.
8. Agree that a detailed proposal for the establishment of a UDA be developed, with the following matters to be specifically addressed:
 - a. Draft constitution / charter
 - b. Accountability, monitoring and review arrangements with Council
 - c. Focus areas for UDA activity
 - d. The funding model
 - e. Risk management framework

- f. Project examples, including financial modelling; and
 - g. Governance options.
- 9. Agree the changes to the fees and charges as outlined in the appendices of the 2016/17 Annual Plan (refer to Attachment 1) effective from 1 July 2016, noting that these contain changes recommended by the Governance, Finance and Planning committee of 1 June 2016.
- 10. Agree to include in the 2016/17 Annual Plan, a targeted rate totalling \$80,000 + GST to be applied to the commercial rated properties in the Kilbirnie Business Improvement District Area.
- 11. Note that the existing Development Contributions Policy adopted by Council on 24 June 2015, effective from 1 July 2015, will apply until it is reviewed again within the three-year statutory time limit.
- 12. Agree to amend the Karori Sanctuary Trust deed to allow the Guardians of the Sanctuary to provide nominations for future Trust Board members to Council, which will appoint Trust Board members;
- 13. Agree that given that the Trust Deed changes referred to in recommendation 12 alter the designation of the Trust, Council resolve to adopt the Karori Sanctuary Trust as a Council Controlled Organisation (CCO);
- 14. Agree that Council purchase the Zealandia Visitor Centre for \$10.34 million in return for the Karori Sanctuary Trust repaying its loan of \$10.34m to Council;
- 15. Agree that there is significant support for Council to assume ownership of wastewater laterals in the road reserve and
- 16. Note that ownership of wastewater laterals can only be consulted on during the development of a long-term plan;
- 17. Agree the project and programme budgets incorporated in the 2016/17 Annual Plan (attached in Attachment 1), and note that these reflect the decisions of the Governance, Finance and Planning committee of 1 June 2016 and the committee's recommendations to Council.
- 18. Agree that, having regard to the requirements of section 100 of the Local Government Act 2002 that it is prudent to forecast a surplus in 2016/17 of \$12.8 million as outlined in table 1 paragraph 25 in the body of this report.
- 19. Agree new borrowings of up to \$71.3 million to fund capital expenditure and investment (including forecast carried forward capital expenditure) and loans for the 2016/17 year.
- 20. Adopt the 2016/17 Annual Plan (as attached in Attachment 1) including:
 - a. Groups of activities: activity statements on the intended levels of service for activities grouped by the Council's seven activity areas
 - b. Outcome indicators and performance measures
 - c. A schedule covering the nature and scope of the activities of the Council's Council-Controlled Organisations
 - d. A schedule of changes to fees and charges
 - e. Forecast Financial Statements
 - f. Funding Impact Statement
 - g. Annual plan disclosure statement

h. Balance Budget Statement

21. Note that having adopted the 2016/17 Annual Plan (including the 2016/17 Funding Impact Statement), the rates for the year commencing on 1 July 2016 and concluding on 30 June 2017 will need to be set by Council in accordance with section 23 of the Local Government (Rating) Act 2002, as outlined in the Setting of Rates for 2016/17 agenda item.
22. Note that Councillors considered the impact of the citywide revaluations (undertaken on 1 September 2015 by Council's valuation services provider Quotable Value) across the various sectors of the rating base at the 2016/17 Annual Plan Workshop held on 14 June 2016.
23. Agree that the principles behind Council's existing rating policies remain appropriate and applicable for the 2016/17 Annual Plan.
24. Note that the rates remissions applicable under the Council's existing Rates Remission Policy are reflected in the rate in dollar information outlined in Item 2.2 Setting of Rates for 2016/17.
25. Agree to maintain the general rate differential at 2.8:1 (Commercial:Base) for the 2016/17 Annual Plan.
26. Delegate to the Chief Executive and the Mayor the authority to make any editorial changes to the 2016/17 Annual Plan that may arise as part of the publication process, and any changes that occur as a result of decisions made at this Council meeting of 29 June 2016.

Background

3. Through the process of setting this 2016/17 Annual Plan there have been a number of changes to year two of the 2015-25 Long-term Plan.
4. These changes have been incorporated into the final document to be adopted at this meeting.

Discussion

Low Carbon Capital Plan

5. The Draft Low Carbon Capital was consulted on as part of the 2016/17 Draft Annual Plan process. As a consequence of community feedback and deliberations, the following changes are included in the final Low Carbon Capital Plan:
 - confirm that while climate change adaptation is part of the 100 Resilient Cities work Programme this naturally includes climate change mitigation and that Council will work to align the two work-streams as much as possible
 - make it clear that while the baseline year for Council's corporate emissions has changed to align with our CEMARS certification, the baseline year for Wellington City has not changed
 - update the LCCP to include the latest data from the City's Greenhouse Gas Inventory which shows a 2.1% reduction in gross emissions since 2001
 - include more information on Council's current walking and cycling projects and plans including reference to the sustainable transport hierarchy

- commit to exploring the development of a personal carbon calculator to help people better understand the carbon impacts of their behaviour and decisions such as diet and transport choices
- commit to developing KPIs in each of the LCCP action areas to enable quarterly reporting on progress. A suggested framework will be developed in the first quarter of 2016/17
- commit to increasing the proportion of electric vehicles in our Council vehicle fleet as budget and business needs allow
- update the document to reflect recent changes in Central Government policies around emissions trading and home insulation as well as significant changes in the price of carbon.

Urban Development Agency

6. The establishment of an Urban Development Agency has been discussed for some years and community feedback through the recent consultation exercise was positive. A detailed proposal for the establishment of an Urban Development Agency will be prepared in the coming months and brought back to Council. The following matters will be specifically addressed:
 - a. Draft constitution / charter
 - b. Accountability, monitoring and review arrangements with Council
 - c. Focus areas for UDA activity
 - d. The funding model
 - e. Risk management framework
 - f. Project examples, including financial modelling; and
 - g. All governance options.

Food Act Fees

7. The Food Act 2014 came into effect on 1 March 2016, the changes incorporated extended the coverage of the act and changed the model for cost recovery.
8. The above changes required the Council to change a number of fees, these fee changes were consulted on as part of the 2016/17 Annual Plan.
9. The recommended changes to Council's fees are incorporated into the 2016/17 Annual Plan and can be found on pages 82-83 of Attachment 1.

Karori Sanctuary Governance (Zealandia)

10. The Board of the Karori Sanctuary Trust offered the Council and option to purchase the Zealandia Visitor Centre for \$10.3m, in turn the trust would repay a loan owned to the Council for the same value
11. The Trust will also amend its trust deed to allow the Guardians of the sanctuary to provide nominations for future Trust Board members, with the Council appointing future Trust Board Members.
12. The Trust Deed changes will also alter the designation of the Trust from a Council organisation to a Council-controlled organisation.

13. The funding allocated to purchase the Zealandia visitor centre is included in the 2016/17 Annual Plan and can be found on page 21 and included in project CX501 of the Projects and Programmes.

Kilbirnie Business Improvement District - targeted rate

14. The new targeted rate for \$80,000+GST will be applied to commercially rated properties in the Kilbirnie Business Improvement District area.
15. The Kilbirnie BID has been incorporated into the 2016/17 Annual Plan, the implications are reflected in the 3.1 Economic Development funding impact statement and in project C698 of the Projects and Programmes.

Projects and Programmes

16. At the Governance, Finance and Planning committee meeting of 1 June 2016 there were a number of amendments relating to the funding of projects. These changes have been reflected and are incorporated into the Projects and Programmes as adopted as part of the 2016/17 Annual Plan.

Financial Strategy

17. Adopted alongside the 2015-25 Long-term Plan was the Financial Strategy. This Strategy sets the limits for rates increases and for borrowings.
18. The 2016/17 Annual Plan has kept average rates increases (after growth) at the same levels as planned in the 2015-25 Long-term Plan. The average rates increase (after growth) for 2016/17 is 3.6 percent
19. The borrowings limit of net borrowings over operating income for 2016/17 has changed from what was planned in the 2015-25 Long-term Plan, but remains within the limit of 175.0 percent. The net borrowings to operating income has reduced from 112.7 percent to 109.9 percent. A number of factors have created this decrease including, a revised capital programme focussed on delivery and assumed capital programme delays.
20. The 2016/17 Annual Plan has remained compliant with the Financial Strategy.
21. Further commentary about the performance against the Financial Strategy Limits can be found in the 2016/17 Annual Plan on pages 11-13.

Balanced Budget

22. Under section 100 of the Local Government Act 2002, Councils are required to report a balanced budget. The Council's aim is to be as close to a 100% balanced budget as possible, where projected revenues are at a level sufficient to meet operating expenses, as large variances would indicate that ratepayers are either paying too much or too little rates that could lead to intergenerational issues in later years.
23. The 2016/17 Annual Plan produces an underlying balanced budget.
24. Despite the underlying balanced budget a surplus is projected of \$12.768m, this is mainly due to accounting conventions requiring Council to record revenue received to fund capital expenditure as income offset by some depreciation not being funded by rates.

25. Table 1

Items that are presented in the Prospective Statement of Comprehensive Revenue and Expense but do not offset rates.

| | \$000's |
|---|-----------------|
| Balanced Budget | 0 |
| Depreciation not funded by rates: | |
| <i>Depreciation collected for capital assets that will not be renewed</i> | |
| NZTA Transport funded projects | (7,597) |
| General | (91) |
| Clearwater sewerage treatment plant | (3,040) |
| Decommissioned Living Earth joint venture plant | (201) |
| Wellington Waterfront Limited Depreciation | (3,396) |
| Total depreciation not funded by rates | (14,326) |
| Revenue received for capital purposes: | |
| <i>Funding received from external parties for major capital expenditure projects</i> | |
| NZTA capital funding | 14,868 |
| Housing ring-fenced surplus | (5,909) |
| Housing capital grant | 18,082 |
| Development contributions | 2,000 |
| Total Revenue received for capital purposes | 29,041 |
| Items funded from prior year surpluses: | |
| City Growth Fund | (3,000) |
| Lyall Bay Surf Club | (200) |
| Toitu Pōneke | (150) |
| Total items funded from prior year surplus | (3,350) |
| Additional operational expenditure items: | |
| <i>Operational expenditure items identified as equitable to be funded through other funding mechanisms</i> | |
| Alex Moore Park | 12 |
| Cable car | (875) |
| ICT Infrastructure project | (3,841) |
| Odyssey | 221 |
| Roading | (848) |
| Toitu Pōneke | (520) |
| Weathertight Homes funding | 7,227 |
| Westpac Stadium | (4,575) |
| Reserves purchases and development fund | (30) |
| Unrealised fair value adjustment for loans and receivables | 637 |
| Fair value movement on investment property revaluation | 3,989 |
| Total additional items | 1,396 |
| Total Surplus | 12,761 |

Attachments

Attachment 1. 2016/17 Annual Plan

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Attachment 2. Low Carbon Capital Plan June 2016

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| | |
|------------|--|
| Authors | Brendan Eckert, Team Leader Financial Planning Martin Read, Manager Financial Strategy and Planning |
| Authoriser | Andy Matthews, Chief Financial Officer |

SUPPORTING INFORMATION

Consultation and Engagement

Extensive consultation has taken place during the development of this Annual Plan. This included

- • preparatory work including an early engagement process
- • a special consultative procedure in March and April 2016
- • oral hearings 9-12 May 2016.

Treaty of Waitangi considerations

As part of the Annual Plan engagement and consultation process there was a Maori special interest forum that discussed the Annual Plan and Maori aspirations for Wellington. A meeting was also held with representatives of mana whenua iwi groups to discuss the Annual Plan process during the pre-consultation phase

Financial implications

The financial implications of the proposed initiatives and budget changes are discussed in this report paper and the funding recommendations have been agreed with Finance.

Policy and legislative implications

A number of recommendations in this paper noted that further policy work needs to be undertaken before final advice is provided to Council.

The Annual Plan process follows the process outlined in the Local Government Act 2002 and a final copy of the Annual Plan must be made publicly available one month after Council decisions are made (at this point by 29 July)

Risks / legal

<insert text here>

Climate Change impact and considerations

The Low Carbon Capital Plan is one of the initiatives discussed in this paper

Communications Plan

An Engagement and Communications plan was developed as part of the Annual Plan process.

Wellington City Council

2016/17 Annual Plan

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Mayor's Introduction

It's an exciting time to be in the Capital. Employment is up, our hi-tech and retail economic activity is increasing, we're making good progress for our environment and we are committed to a socially inclusive city. Events for all pockets and interests make the city buzz.

Our Annual Plan 2016/17 continues the strategic vision we set in *Wellington 2040: Smart Capital* of a people-centred city, connected to local communities and the world, environmentally alert with a dynamic central city at its heart.

Thank you to all the individuals and organisations who commented on our ideas, our plans and our budgets, as part of the consultation process. Your submissions reinforced some ideas and challenged others to make our decision-making more robust. This Annual Plan now sets out our budget for the 2016/17 financial year, improving the Capital's resilience while introducing fresh initiatives to ensure Wellington's a place where local and global talent wants to live.

We have increased arts funding so our national and local cultural institutions thrive. Investment into a new outdoor events series will enliven our dynamic central city and keep Wellington in its rightful place as New Zealand's creative capital. Join us at exciting events like World of Wearable Art, the British and Irish Lions matches, CubaDupa, the Cindy Sherman exhibition and other favourites including Summer City, Chinese Year of the Rooster and New Year's Eve at Whairepo Lagoon.

Our commitment to a people-centred city sees us fund a collaboration of agencies to reduce the root causes of homelessness, welcome refugees and beautify the city. Our living wage has been extended from employees to cleaning and security contractors, encouraging productivity and loyalty.

Our environmental commitment includes the Low Carbon Capital Plan with a pathway to reduce emissions by 80% by 2050. Council's purchase of the Zealandia visitor centre gives the Karori Wildlife Trust the long term financial stability it needs to fulfil its 500 year vision of world-leading urban ecology and tourism.

Additional projects to ensure Wellington remains one of the most liveable cities in the world will commence, including the Johnsonville Library upgrade, Arlington social housing upgrade, the new Harbour Escarpment walkway and new turfs for football and hockey.

A range of transport initiatives across all modes include improvements for pedestrians, safety initiatives to lower central city speeds, expanding our urban cycleway network, progressing Ngauranga to Airport modelling and consultation on integrated transport and urban design solutions for the 21st Century.

In 2016/17 we'll start the required strengthening of our iconic Town Hall, providing a home to a potential national school of music to boost music performance and talent development in

the capital. Construction of our new Convention Centre begins and we expect significant growth and investment from Wellington's tourism offering: Located opposite Te Papa, the Movie Museum and Convention Centre will be a huge drawcard for visitors from across the globe – once operational, \$38 million GDP per annum will be generated and many jobs protected, providing a significant economic input for the city.

This financial year the Urban Development Agency will be established, rapidly increasing affordable housing of good design near decent facilities not urban sprawl.

We're focusing on inclusive growth with our Annual Plan, building a stronger future for our economy, our communities, and our Capital. Thank you to the public, and all the staff, volunteers, contractors and partners who will turn the plan to reality.

Message from the Chief Executive

This is the third Annual Plan I've been involved with as Chief Executive, not counting the Long-term Plan.

The Council has three roles in a successful city:

- 1) Do the basics well - what I call the clean, green and safe agenda, keeping streets clean, roads maintained and emptying bins on time
- 2) Ensure the council is a well led, well run organisation with a clear agenda, sound finances and processes, good discipline and robust risk management and ICT systems. And there must be an effective, joined-up working relationship between appointed officials and the elected representatives.
- 1) Having an external focus – making the sure the city is the best it can be environmentally, socially and economically. We're doing really well environmentally and socially but we need to better on the economy, which is a council priority.

How do we measure up? On the first point, we do the basics really well. Wellington is a beautiful, clean and safe city. If you took an equivalent size city in the UK, say Cardiff or Coventry, there will be a couple of neighbourhoods you cannot walk around during the day and feel safe. There is no place in Wellington where you can't do that. Our assets and roads are also in good shape and we have more accurate information than other councils on the age and condition of our underground pipe network.

On the second point, there was room for improvement but we're making good progress. We have an excellent credit rating (AA), very prudent financial limits, we carry less debt than most metropolitan councils and we're using innovation, shared services and technology to reduce costs and be as efficient as possible.

The final point, the enabling role, has been our biggest challenge. We needed to do more to support the economy and we have - and we are. The council's *Long-term Plan*, adopted last June, tackles the economy head-on with exciting new projects to transform Wellington.

I've always said that the Council must earn the right to do the clever stuff – in other words, we have to do the basics really well before we can invest in new and exciting projects such as the film museum and convention centre. We are doing the basics well but we will always look for new and better ways of working. A good example is Parking Services. We brought parking services back in-house, we're paying the officers better, we're modernising the service with sensors, compliance is up and overall the city is getting a much better service.

This *Annual Plan*, which is effectively a new chapter in our LTP, helps Wellington grow sustainably.

While we're heading in the right direction, we've still got work to do. All the signs point to a stronger economy in the coming year, so we need to make the right decisions to keep that momentum going.

The good news is that the Council has managed to add new initiatives while keeping a lid on rates - the average rates increase this year is 3.6%, as forecast in our LTP and, crucially, without having to cut services.

Importantly, the *Annual Plan* means the people of Wellington will continue to receive all their Council services – plus new projects that will transform the city – at an average of \$5.93 per resident a day. By anyone's measure, that is good value for money.

Kevin Lavery

Our broad approach

Linking our Annual Plan 2016/17 with our Long-term Plan approach

More people today, than at any other time in history, have a choice about where they live. That's why we need to invest in the city.

When we set the strategic direction for Wellington last year during our Long-term Plan phase we did so in recognition of the fact that cities compete on the global stage. We compete with other city regions to attract people, students, jobs, ideas, businesses, trade and investment.

Other cities invest in their offering, and without ongoing investment and improvements to the city we lose our comparative advantage as an attractive place to live, work, do business and have live a high quality of life.

Broad approach of the 10 year plan

Though Wellington offers outstanding quality of life, its economy has considerable untapped potential. A stronger economy means jobs, prosperity and more opportunities for all Wellington residents. Economic growth is about:

- Making all residents more prosperous, so they can reach their potential and live enjoyable and fulfilling lives
- Attracting new skilled migrants to live, work and establish businesses in the city
- Providing a wider range of opportunities so residents have a choice of jobs, or creative or business opportunities
- Providing more entertainment and leisure opportunities and a wider range of attractions
- Increasing the city's capital value, after all, a bigger rating base means the costs of rates are spread across more people, making them more affordable.
- Releasing capital to invest in higher quality of life for all and a stronger environment

Areas of focus for year two of the long term plan

In our Long-term Plan we budgeted for essential services for the city such as water supply, drainage, waste, parks and gardens, libraries, pools, sports fields, recreation centres, streets and social housing. And this year, we will continue these investments in the Annual Plan.

In addition to doing the basics well, areas of focus for year two include:

- making the city more resilient and better able to cope with environmental shocks such as earthquakes and climate change.
- continuing our investment for economic growth by delivering on major catalyst projects and improving our connections to the world
- working with others to make the city's transport system more efficient by prioritising public transport, investing in new cycleways and walkways, and reducing bottlenecks on the road network. We will also continue to focus on reducing resource use, waste and pollution.
- Establishing an urban development agency to allow Council to more actively deliver on the city's Urban Growth Plan.

Overview

The Local Government Act 2002 requires us to plan in three-year cycles. Every three years, we consult the community on a draft Long-term Plan (LTP). This sets out our intentions for the decade ahead — what we'll do, how we'll do it, how much we'll spend, who will pay, the levels of service we'll provide, and how we'll measure the quality and effectiveness of our work.

Our goals

We've put in place clear goals.

The Council has a vision for the city *Wellington Towards 2040: Smart Capital*. It aims to grow and sustain the city as 'an inclusive place where talent wants to live'.

The strategic vision is supported by four community outcomes or long term goals:

Connected city: With improved physical and virtual connections, we can unleash the potential of Wellington's people and businesses. Technology reduces the city's physical distance from the world and markets, and the city's compactness allows for relationships to form with ease.

People-centred city: Cities compete more for people — in particular, for the highly skilled, educated people who already make up a large proportion of Wellington's population. It will become increasingly important to draw on these strengths, to ensure the city is open, welcoming, vibrant and embraces diversity.

Eco-city: We can build on current environmental strengths to transition to a low carbon future. As an eco-city Wellington will achieve high standards of environmental performance, coupled with outstanding quality of life and an economy increasingly based on smart innovation.

Dynamic central city: By fostering the central city as a hub of creative enterprise, we can lead the region to the next level in economic transformation. With universities, research organisations and creative businesses all clustered in or near the central city, Wellington can grow, taking the wider region to the next step in prosperity and quality jobs.

The 2015-25 LTP

- The 2015-25 LTP was adopted in June 2015 as our key strategic planning statement for the next 10 years. It also identified the key work programmes and financial parameters for a 3 year period. The key objectives of the LTP are:
- "Investing to grow" through establishing a programme of major projects that grow the economy and deliver returns on investment;
- Investing to maintain and improve existing services, including making infrastructure more resilient and the city's transport system more efficient;
- Increasing the use of existing assets rather than spending on new infrastructure;
- Improving asset management practices to better manage risk and the timing of asset replacement; and
- Achieving ongoing efficiencies from shared services and improved customer experiences.

To fund the proposed investments we have developed a financial strategy that:

- Limits rates increases to 3.9% annually, on average, over the next 10 years, with which we have agreed to 4.5% annually, on average, for the first 3 years of the LTP; and
- Caps Council debt at a maximum of 175% of annual income.

Detail on the 2015-25 LTP is available at: <http://www.our10yearplan.co.nz>

Annual Plan 2016/17

Annual Plans give effect to LTPs. They identify, in detail, the proposed activity to be undertaken by us and how expenditure will be funded for a given year. 2016/17 is the second year of our 2015-25 LTP.

As a result of recent changes to the Local Government Act 2002, any proposed variations to the activities and budgets contained in an LTP require explanation and justification in an Annual Plan consultation document. This consultation document becomes the basis for engagement with our ratepayers and stakeholders on an Annual Plan. This is because we are required to consult those in the community “who will or may be affected by, or have an interest in” the Annual Plan before it is adopted, if the proposed Plan includes “significant or material differences from the content of the LTP for the financial year to which the proposed annual plan relates”.

The Annual Plan 2016/17 is the first developed under these new statutory requirements.

Financial Summary

| Measure | 2016/17 Annual Plan 2016/17 | 2015-25 Long-term Plan 2016/17 |
|---|---|---|
| Operating expenditure | \$462.6 million | \$458.6 million |
| Capital expenditure | \$180.8 million | \$172.5 million |
| Average rates increase after growth | 3.6 percent | 3.6 percent |
| Forecast year-end borrowings | \$479.1 million | \$492.0 million |
| Operational expenditure funded by rates | 65 percent | 65 percent |
| Rates distribution | 45 percent commercial 55 percent residential | 45 percent commercial 55 percent residential |

The Council is in a sound financial position as indicated by our AA Standard and Poor’s credit rating. We will continue to manage the financial challenges associated with the costs of creating resilient and vibrant communities and a strong economic environment.

Setting limits on our rates and borrowings requires prioritisation of spending decisions and ongoing review of existing services. The parameters we set for our rates levels and rates increases as part of the 2015–25 Long-term Plan are:

| Rates limits: | 2016/17 |
|---|----------------|
| Rates increase limit (after growth) first triennium average | 4.5% |
| Rates increase limit (after growth) ten year average | 3.9% |

The average rates increase (after growth) signalled in the 2015-25 Long-term Plan for 2016/17 was 3.6%. The 2016/17 Annual Plan remains at this level and is compliant with the 2015-25 Long-term Plan financial strategy limits shown above.

The parameters we have set for borrowings as part of the 2015–25 Long-term Plan are:

| Borrowings limits: | Operating Targets | Prudential Limits | Annual Plan 2016/17 |
|--|------------------------------|------------------------------|------------------------------------|
| 2015-25 Long-term Plan Limit: | | | |
| Net borrowing as a percentage of income | <150.0% | <175.0% | 109.9% |
| Prudential Limits: | | | |
| Net borrowing as a percentage of income | <150.0% | <175.0% | 109.9% |
| Net interest as a percentage of income | <15.0% | <15.0% | 5.3% |
| Net interest as a percentage of annual rates income | <20.0% | <20.0% | 8.8% |
| Liquidity (term borrowing and committed loan facilities to 12 month peak net borrowing forecast) | >110.0% | >110.0% | >110.0% |

For 2016/17 we are within all of the operating targets.

Operational expenditure

Operational expenditure provides for all of our day-to-day operations and services, from waste disposal, water supply and maintaining our roads, to issuing building consents, running our recreational facilities, maintaining our parks and gardens and delivering events.

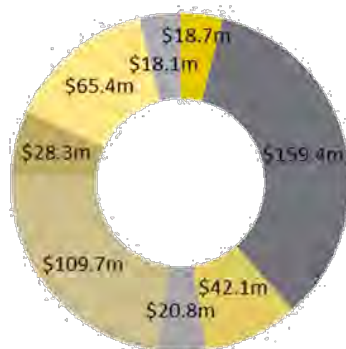
The Council plans to spend \$462.6 million on operational expenditure in 2016/17. This compares with \$458.6 million forecast for 2016/17 in the 2015–25 Long-term Plan. Changes to the operational expenditure can be found in the Funding Impact Statements.

Sources of operational funding

65 percent of our operational expenditure is funded from a combination of general rates (paid on all properties) and targeted rates. The remainder is funded from user charges, ground and commercial lease income, dividends and other revenue such as grants and government subsidies.

The graphs below show how we are splitting our operational expenditure and how it will be funded in 2016/17.

Operational expenditure 2016/17 Annual Plan by activity area



- Governance 4%
- Environment 34%
- Economic development 9%
- Cultural wellbeing 4%
- Social and recreation 24%
- Urban development 6%
- Transport 14%
- Council 4%

Operational expenditure 2016/17 Annual Plan by funding source



- General rates 37%
- Targeted rates 28%
- User fees and charges 23%
- Ground and commercial lease income 8%
- Dividends 3%
- NZTA subsidies 1%
- Housing New Zealand Grants 0%
- Other income 1%

Capital expenditure

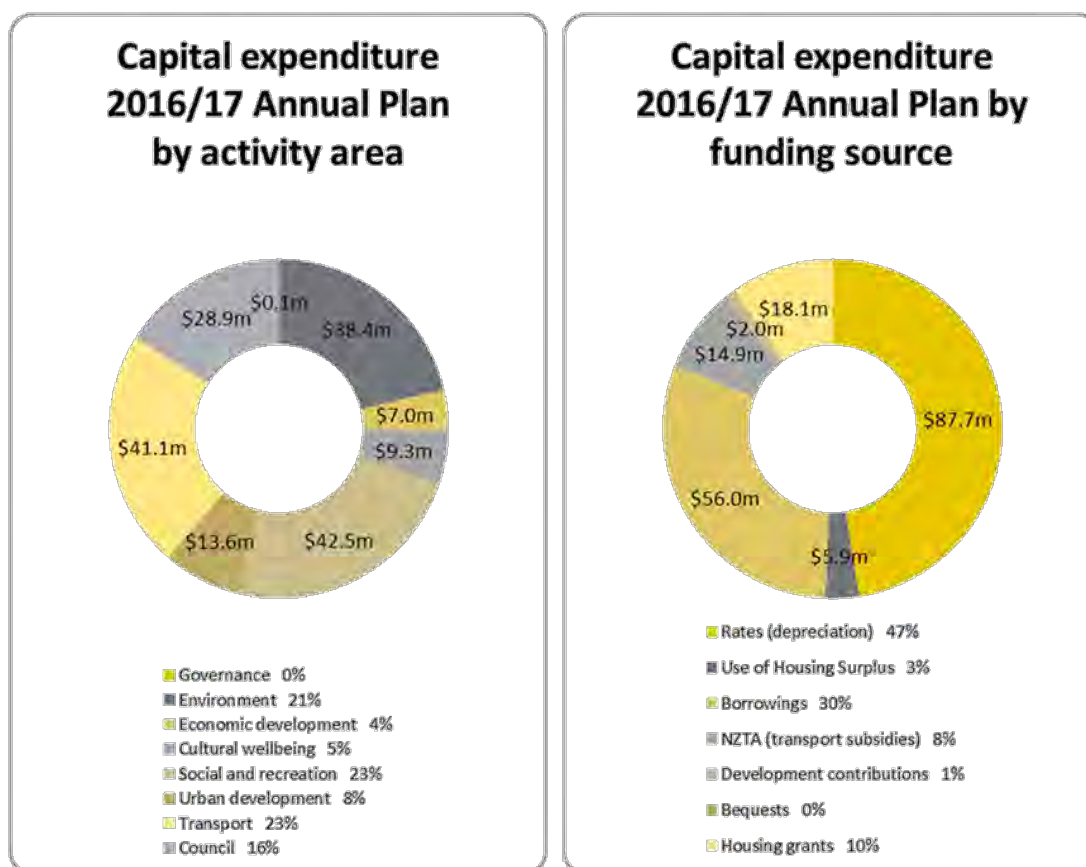
We're continuing to invest in our city's infrastructure while focusing on city resilience.

Capital expenditure pays for purchasing, building, developing or renewing the Council's assets (eg pipes, roads, libraries, swimming pools). Our capital expenditure (excluding 'carry-forwards' and loans to other organisations) is forecast to be \$180.8 million in 2016/17.

Sources of capital funding

We fund capital expenditure from depreciation, borrowings, NZTA subsidies, grants and development contributions. For asset renewals, the main funding source is rates funded depreciation. For new assets and upgrades, the main funding sources are borrowings, subsidies and grants.

The graphs below show how we are spending our capital expenditure and how it will be funded in 2016/17.



Engagement and consultation process

Prior to the development and publication of the Annual Plan 2016/17 Consultation Document we gave Wellingtonians the opportunity to share their ideas related to the objectives of the Long-term Plan 2015/25 - how to grow Wellington's economy, be a smart resilient city, and make better use of infrastructure like parks, roads and libraries. The Council received 131 submissions and 184 ideas through our website's online form, social media, email and by post. 57 submitters spoke to Councillors at panel hearings held on Monday 22 and Wednesday 24 February 2016.

The panel hearings were a new initiative to give an opportunity for people to highlight new ideas and to do it in a less formal way. For Councillors it provided valuable feedback on the issues that matter to local people and different community groups.

In March 2016 we issued a Consultation Document that highlighted the six key proposals for change we wanted to bring to your attention and to get your feedback. These issues have been identified as either significant and/or material in nature and are different from what was proposed in the 2015-25 LTP. The six proposed changes were:

Urban Development Agency - Creating a new Council-Controlled organisation (CCO) with land development powers that was not specified in LTP.

Climate Change Action Plan and resilience - Proposing a new programme of work with ongoing costs and operational changes for WCC that was not contained in LTP.

Food Act fee changes - Changing the fee structure from that outlined in LTP.

Zealandia Governance changes - Creating a new Council-Controlled organisation (CCO) that was not specified in the LTP.

Kilbirnie Business Improvement District – To include a new targeted rate in the Annual Plan to be applied to commercially rated properties in this area.

As a result of the initiatives process and the panel hearings, the Consultation Document also proposed a number of other initiatives Councillors wanted to be considered for funding in 2016/17. These initiatives were included in the Consultation Document so Councillors could gauge the level of public support for them before making any final decisions on the content of the Annual Plan 2016/17.

The Annual Plan 2016/17 Consultation Document was launched by the Mayor on 29 March. A series of consultation events were held over the following month to provide more information on the LTP and its objectives, and the proposed changes to the LTP embodied in this Consultation Document. These consultation events also provided stakeholders with an opportunity to discuss the future needs of their interest area.

Because a greater number of people are choosing to engage with us through social media, we also adopted a continuous conversation approach on our Facebook and Twitter accounts, and our other social media channels. Over the consultation period a range of tweets and Facebook posts were made by Council about the Annual Plan and the proposed changes to the LTP. These social media posts were used to raise awareness of the engagement and consultation process and to encourage people to make submissions. Other awareness raising activities included emails to over 1200 stakeholders, media releases, and advertisements in both the *Dominion Post* and *Wellingtonian* newspapers.

Submissions received

During the engagement and consultation process 808 written submissions were received: 114 filed online, 341 sent by email and 353 by post. All those providing written submissions were able to present in support of their submission at an oral hearing. Oral hearings were held in the week beginning 9 May and 74 people choose to present. While some submitters provided feedback on issues raised in the Consultation Document, some submitters sought funding for a range of community initiatives not previously identified.

The submission process showed general support for the changes in the LTP and the new funding initiatives. After some minor alterations due to feedback received through the consultation process, all proposals included in the Consultation Document were included in the proposed Annual Plan. Also included in the proposed Plan were a small number of additional initiatives that arose through the consultation process and oral hearings, along with some funding and budget phasing proposals that arose after the Consultation Document was issued.

In early June final decisions on content of the Annual Plan and the rate levels for 2016/17 were made. In their entirety these decisions resulted in:

a proposed rates increase (after growth) of 3.6%, in-line with that proposed for 2016/17 in the 2015-25 LTP; and total closing borrowing of \$479.1 million for 2016/17, compared to a \$492.0 million forecast for 2016/17 in the 2015-25 Long-term Plan.

The details of the key projects and their overall costs for 2016/17 are outlined in the next section of this Plan.

What has changed after the consultation process

The feedback has resulted in the confirmation of projects and programmes. However, the work programme outlined in this document is not the same as the one consulted on. Changes made by the Council after hearing from the community include:

- Start the implementation of the Smokefree Action Plan to move Wellington towards being a Smokefree city by 2025.
- Increase the number of Parking Officers - In order to provide service levels similar to those from when the function was outsourced. The increase in staffing levels will enable the continuation of quality service levels.
- Increasing the number of drinking fountains in the CBD by three in 2016/17.
- Increased the funding for the Newtown Festival to help with the event organisation in 2016/17.
- Removed swimming pool entry fees for under 5s – this fee change does not affect the learn to swim programme fees.
- Removal of a proposed Late Fee for burials services.
- Additional funding for the developed design phase for the Vogelmorn Precinct.
- Additional funding to continue the implementation of the Commonwealth Walkway.
- Additional funding for the Terawhiti Karori Park Artificial surface to increase the funding included in the 2015-25 Long-term Plan.
- Bringing forward the Tawa Town Centre upgrade, which was originally planned for 2019/20.

Statements of Service Provision

These outcomes below guide our activities. We're looking to develop greater linkages between these outcomes and our seven activity areas. We have also started to identify outcome measures and indicators and over the next few years we will progressively introduce a performance framework to allow us to track progress against these outcomes.

Our outcomes and objectives are structured around the seven activity areas against which we measure our performance. These activities are:

- Governance** – delivering trust and confidence in decision-making;
- Environment** – protecting and enhancing Wellington's environment;
- Economic Development** – promoting the city's competitive advantages in order to enhance quality of life;
- Cultural Wellbeing** – reflecting and shaping Wellington's unique cultural identity;
- Social and Recreation** – sustaining safe, resilient and healthy communities;
- Urban Development** – preserving Wellington as a compact, vibrant and attractive city, now and into the future;
- Transport** – delivering an efficient and safe transport system that connects people and places

In the following pages we explain what is proposed in 2016/17 for each activity area in terms of:

- Scope statement** – an outline of the scope of our work under the activity;
- Key projects** – a summary of the key initiatives for the year;
- Activity statements** – what activities are to be undertaken and their rationale, the specific services to be provided;
- Performance targets** – an outline of objectives, outcome indicators and performance targets; and
- What it will cost** – a summary financial table for that activity area.

1. Governance - Pārongo Ā-Tāone

Governance is about democratic local decision-making on behalf of the people of Wellington. Our governance activities include managing local elections, informing residents about the city and the issues or challenges it faces, listening to residents' views, making decisions in the best interests of the city and its people, and managing partnerships with mana whenua and other groups.

This work is essential for local democracy and for the quality of Council decision-making. Residents have a fundamental right to influence the makeup of the Council through elections, and to be informed about, and influence, Council decision-making. Public input and involvement improves the quality of decision-making by ensuring that all points of view and all relevant information are considered.

Our partnerships with mana whenua recognise their special place in the city's history and special relationships with its land, waterways and other parts of its environment.

The Local Government Act 2002 sets out the decision-making, planning and accountability procedures expected of councils. Other legislation requires us to keep a record of our work and provide access to the information that we hold. Our City Archives team looks after and makes available a huge range of primary information about the city's history. We also operate a 24/7 contact centre so we can provide people with information and respond to their request relating to our services.

KEY PROJECTS

Giving effect to the 2015-25 Long-term Plan

It's the Council's job to meet the current and future needs of communities for local infrastructure, public services and regulatory functions in the most cost-effective way. The 2015-25 Long-term Plan was adopted in June 2015 and sets out the Council's intentions for the decade ahead. During 2016/17 an amendment to the 2015-25 Long-term Plan will be progressed to reflect the changes to the plan from the Council's decisions on the Movie Museum and Convention Centre proposal.

Local-Body elections

The local-body elections are held every three years throughout New Zealand and the next Election Day is Saturday 8 October 2016. Elections will be held for the Mayor, 14 Councillors (who are elected from 5 wards) and Community Board members for the Tawa and Makara-Ohariu Community Boards. Nominations for these positions will be open from 15 July to 12 August.

Wellington has used the Single Transferrable Vote (STV) voting system since 2002. Under this system voters rank their preferred candidates with a number and candidates are elected by reaching the 'quota' - the number of votes required to be elected - which is based on the total number of votes and the number of vacant positions.

Voting documents will be posted out to all electors who are enrolled from 16 September. The voting period is approximately 3 weeks. Voters fill out the form and post the voting document back by 12pm (noon) on Saturday 8 October. A progress result is generally expected by late afternoon on Saturday 8 October.

Pre-election report

Before each local body election, the Chief Executive must produce a Pre-Election Report summarising the major projects planned for the following three years along with financial information on rates, rate increase and borrowing. The pre-election report is expected to be released on 29 July.

Digitisation of information

We have a requirement to digitise paper files so that we can respond to internal and external requests with digital documents and move to design and delivery of end-to-end digital services.

Council digitisation is delivered by a digitisation service established on-site at City Archives that will operate through to at least 30 June 2020. This service specialises in digitising paper files while preserving the paper original. These types of files are being digitised as they are used or if they are at risk from overuse. At the same time an off-site outsourced arrangement with is used to buy one-off digitisation projects where the paper originals are no longer required.

STATEMENT ON MĀORI AND MANA WHENUA

Our Treaty obligations

The Wellington City Council is involved in numerous activities that provide a platform for engagement with local iwi and the wider Māori community. We are also subject to a wide range of legal obligations and Te Tiriti o Waitangi considerations, including Memoranda of Understanding with local iwi mana whenua entities – Port Nicholson Block Settlement Trust and Te Rūnanga o Toa Rangatira Incorporated.

Mana whenua partnerships and iwi support

The legal obligations may be the foundations for organisational policy and delivery but on their own they don't adequately emphasise the importance of Te Tiriti, the partnership with Māori and the critical value that this unique relationship can bring to the city both domestically and internationally.

As such, we will work to ensure the past, present and future role of Māori in our city will be valued and reflected in all aspects of our work, including urban design, economic development, resource management, social wellbeing, arts, culture and recreation

GOVERNANCE –GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|---|--|--|
| 1.1 Governance, information and engagement 1.1.1 City governance and engagement 1.1.2 Civic information 1.1.3 City Archives | Facilitating democratic decision-making. Providing open access to information. | <ul style="list-style-type: none"> Providing advice, research and administrative support to elected members and community boards Hosting local body elections A call centre and website providing 24/7 access to information and a place to log service faults Management of archival information in line with legislation Facilitating engagement on key issues and input from advisory groups Accountability planning and reporting. | There are no significant negative effects from these activities. |
| 1.2 Māori and mana whenua partnerships 1.2.1 Māori and mana whenua partnerships | Partnership and recognition of the special place of mana whenua. | <ul style="list-style-type: none"> Maintaining formal relationships with two mana whenua partners. Facilitating opportunities to contribute to local decision making. | There are no significant negative effects from these activities. |

GOVERNANCE- PERFORMANCE MEASURES

| GOVERNANCE | |
|--------------------|--|
| Objectives | Democratic decision-making Open access to information Recognition of Māori |
| Outcome Indicators | Residents (%) who agree that decisions are made in the best interests of the city Residents (%) who state that they understand how the Council makes decisions Residents (%) who understand how they can have input into Council decision-making Mana whenua partners agree that the use and protection of the city's resources for the future is appropriate Residents (%) who believe they have the opportunity to participate in city life Voter turnout in local elections, referendums and polls |

| 1.1 Governance, information and engagement 1.1.1 City governance and engagement 1.1.2 Civic information 1.1.3 City Archives | | | | |
|---|--|-----------|-----------|-------------------------|
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of the public's involvement in Council decision-making | Residents (%) satisfaction with the level of consultation (i.e. The right amount) | 55% | 55% | 55% |
| | Residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making | 75% | 75% | 75% |
| To measure the quality and timeliness of residents' access to information | Council and committee agendas (%) are made available to the public within statutory timeframes (2 working days prior to the meeting) | 100% | 100% | 100% |
| | Council and committee agendas (%) that are made available to <i>elected members</i> 5 days prior to the meeting and to the public four days prior to the meeting | 80% | 80% | 80% |
| | Residents (%) who agree that Council information is easy to access (i.e. From web centre, libraries, newspapers, etc.) | 55% | 60% | <i>Increasing trend</i> |
| | Residents (%) who agree that Council website is easy to navigate and get information from | 70% | 75% | 75% |
| | Contact Centre response times - calls (%) answered within 30 seconds | 80% | 80% | 80% |
| | Contact Centre response times - emails (%) responded to within 24 hours | 100% | 100% | 100% |
| 1.2 Maori and mana whenua partnerships 1.2.1 Māori and mana whenua partnerships | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the health of our relationship with mana whenua | Mana whenua partner satisfaction with Council relationship (satisfied and very satisfied) | Satisfied | Satisfied | Satisfied |
| To measure the engagement of the city's Maori residents | Maori residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making | 75% | 75% | 75% |

GOVERNANCE –ACTIVITY BUDGET

| 1.1 GOVERNANCE , INFORMATION AND ENGAGEMENT | 2015/16 LTP GROSS EXPENDITURE | 2016/17 ANNUAL PLAN GROSS EXPENDITURE |
|---|-------------------------------------|---|
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 1.1.1 - City governance and engagement | 9,901 | 10,909 |
| 1.1.2 - Civic information | 5,435 | 5,542 |

| | | |
|--|----------------|----------------|
| 1.1.3 - City archives | 1,758 | 1,967 |
| Total operating expenditure | 17,094 | 18,418 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 1.1.1 - City governance and engagement | - | 116 |
| 1.1.2 - Civic Information | - | - |
| 1.1.3 - City archives | - | - |
| Total capital expenditure | - | 116 |

| 1.2 Maori and mana whenua partnerships | 2015/16 LTP GROSS EXPENDITURE | 2016/17 ANNUAL PLAN GROSS EXPENDITURE |
|---|--|--|
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 1.2.1 - Maori and Mana Whenua partnerships | 281 | 295 |
| Total operating expenditure | 281 | 295 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 1.2.1 - Maori and Mana Whenua partnerships | - | - |
| Total capital expenditure | - | - |

2. Environment – Taiao

The Council is responsible for vital services such as water supply, waste reduction and disposal, and wastewater and stormwater services. We fund conservation attractions such as Zealandia and Wellington Zoo, manage open spaces such as the Town Belt and Outer Green Belt, and the city's beaches and coastline.

We fund these services because they are critical to the lives of individual Wellingtonians and to the community as a whole. They ensure that the city is safe and liveable, and that basic human needs are met. They minimise harmful effects from human activity. They also provide recreation opportunities, attract visitors, and make the city a beautiful place to live.

The Council is a regulator, funder and provider of services in the environment area. The environment is the Council's biggest area of activity, with the majority of funding going on core services such as water, wastewater and stormwater.

KEY PROJECTS

Low Carbon Capital Plan 2016-18

The Council aims to make Wellington the "low carbon capital" and has agreed a plan that will support immediate climate change action and build a foundation to support our low carbon aspirations. The plan has three pillars of action:

- *Greening our growth* – this pillar is focused on making sure that as the city grows it does so in a way that enhances its low carbon objectives. Funding is provided to programmes that reduce waste, make homes warmer and healthier, and reduce energy in commercial as well as residential homes.
- *Changing the way we move* – this pillar of action is focused on supporting car sharing schemes and electric vehicle charging infrastructure as well as support for walking, cycling and public transport modes.
- *Leading by example* – this area will focus on reducing the organisations emission profile, as well as reducing Council's overall vehicle fleet while increasing the proportion of electric vehicles.

Zealandia

Council has agreed it will purchase the Zealandia Visitor Centre from the Karori Sanctuary Trust for \$10.3 million. In return the Trust will pay down the loan it owes the Council and approve amendments to its Trust deed to allow it to provide nominations to Council for future Trust Board members. Both these changes will be progressed during the year and the designation of the Trust will be changed to a Council-controlled organisation, where Council has overall governance control. In addition, the Council will maintain its grant funding at \$875,000 for 2016/17 and will continue its in-kind support for the activities and initiatives Zealandia provides to visitors and residents.

Wastewater Laterals

Council has agreed to investigate the feasibility and impact of assuming ownership of wastewater laterals in the road reserve. Wastewater laterals are pipes that connect the plumbing in homes and businesses to public sewer mains. Private property owners in Wellington are currently responsible for the repair and renewal of wastewater laterals all the way to the connection with the public sewer main, including any parts under road reserve (mainly roads and verges). During 2016/17 further work will be undertaken on the determining the condition of wastewater laterals, consequences of assuming ownership and policy changes and consultation required to give effect to any changes in ownership.

Our Natural Capital

Our Natural Capital - Wellington's Biodiversity Strategy and Action Plan, is our vision for the city's indigenous biodiversity.

It is an ongoing project with a budget of \$3.7 million over the next 10 years. It aims to:

- protect the city's indigenous biodiversity, restore significant areas, create safe buffer zones around them and connect them together;
- reduce pest numbers throughout Wellington City to a point where our native species can survive and populations can expand; and

- focus on raising awareness of the issues facing indigenous biodiversity and connecting people to their natural environment.

Walkway upgrades

We deliver on-going renewals and upgrades of programme of trails as per the Open Spaces Access Implementation Plan and Our Capital Spaces. The purpose of the renewals and upgrade programme is to:

- Ensure safe, accessible and sustainable trails are provided that enables all trail users to be active and healthy. To meet the local trail users community expectations regarding on going trail works throughout Council's reserve network
- Meet the objectives of Our Capital Spaces by ensuring beginner riders have the opportunity to ride within the Council's reserve network. Provide a family ride, easy walk resource within the reserve network.

Harbour escarpment walkway

The Harbour Escarpment Walk will eventually link Waihinahina Park in Newlands to Kaiwharawhara, running through Newlands along the coastal escarpment. It was identified in the Northern Reserves Management Plan and some components have already been developed. The new work in 2016/17 will cost \$350,000 and will significantly improve the connectivity between these parts and increase its value for both locals and visitors

Hydraulic modelling

Council needs to better understand the existing capacity of the stormwater network, where and to what extent we are providing flood protection across a range of event severity, and where the areas exposed to high flood risk are. Hydraulic modelling projects will address this over the next ten years with \$11.6 million funding allocated. There are some known problem areas and progressive improvement in these areas as well as advancing our understanding of city-wide issues is planned.

Stormwater upgrades

The Council manages the network that collects, transports and disposes of stormwater. We work hard to reduce the risks of flooding and pollution but stormwater is discharged – untreated - into Wellington harbour and streams. The Council is committing resources each year to improving water quality in the inner harbour and along the south coast. For 2016/17 this amount is \$4.1 million.

Lyllall Bay foreshore

In 2016/17 stage one of the Lyall Bay Foreshore Resilience Plan will be completed for around \$1.0 million. Under the Plan the carpark at Surfers Corner will be repaired, a new block wall built for the middle beach, and pipe extensions and rock riprap built at the western end of the beach.

ENVIRONMENT – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|--|---|---|
| 2.1 Gardens, beaches and green open spaces 2.1.1 Local parks and open spaces 2.1.2 Botanical gardens 2.1.3 Roads open spaces 2.1.4 Town belts 2.1.5 Community environmental initiatives 2.1.6 Walkways 2.1.7 Biodiversity | Provide access to green open spaces. Provide public places to congregate. Provide access to recreational opportunities. Enhance biodiversity. | Manage and maintain: <ul style="list-style-type: none"> 4,000ha of parks, reserves and beaches 200 buildings for community use 340km of walking and mountain bike tracks over 200,000 square metres of amenity bedding and horticultural areas boat ramps, wharves, seawalls and slipways. | In our management of the city's green open spaces, we seek to balance recreation needs against environmental protection. While recreational use can have negative effects on the immediate environment, in most cases these are not significant. We do not anticipate any other significant negative effects associated with our management of these services. |
| 2.2 Waste reduction and energy conservation 2.2.1 Waste minimisation, disposal and recycling 2.2.2 Management Closed landfills aftercare 2.2.3 Energy efficiency and conservation | Minimise and manage waste. | Manage and monitor: <ul style="list-style-type: none"> landfill operations / composting waste at the Southern Landfill domestic recycling and rubbish collection the environmental impacts of closed landfills programmes to educate residents to manage and minimise waste effectively. | Waste management has the potential to create leachates and gases. The construction and management of the southern landfill is designed to minimise the impact of these. The service is subject to resource consent conditions and is monitored. |
| 2.3 Water 2.3.1 Water network | Security of supply of potable water. | <ul style="list-style-type: none"> Ensure high quality water is available at all times for drinking and other household and business uses. Maintain 80 reservoirs, 34 pumping stations, 8,000 hydrants and 1,250km of pipes. | We do not anticipate any significant negative effects associated with our provision of these services. |
| 2.4 Wastewater 2.4.1 Sewage collection and disposal 2.4.2 Sewage treatment | Clean waterways are essential for public health and to the city's environment. | Provide and monitor: <ul style="list-style-type: none"> The city's sewage collection, treatment and disposal in line with resource consent conditions. Introduce a real time network monitoring system. Monitor the performance of Wellington Water. | The wastewater network aims to minimise the harm to people that would arise without it. The council has made significant investment in plant and equipment to treat the waste before it is disposed. There is the risk of minor overflows into waterways during storm events. These occurrences are rare and are monitored to reduce public health impacts. |
| 2.5 Stormwater 2.5.1 Stormwater management | Keep people and property safe from flooding. | <ul style="list-style-type: none"> Maintain, renew and upgrade the stormwater network to protect flooding. Introduce a hydraulic model. Monitor the performance of Wellington Water. | The stormwater network aims to minimise the impact of flooding. The network can carry containments, such as oils from roads or run off from developments, into waterways. We educate residents to change behaviours, such as pouring |

| | | | |
|-------------------------------------|--|---|---|
| | | | paint down drains, and monitor our waterways. |
| 2.6 Conservation Attractions | <p>Inform and educate on the importance of conservation & biodiversity.</p> <p>Attract visitors.</p> <p>Protection of flora and fauna.</p> | <ul style="list-style-type: none"> • Provide funding to Wellington Zoo. • Support its expansion with the new <i>Meet the Locals</i> Exhibition. • Part fund Zealandia. • Monitor performance. • Provide a one off \$6m grant for the development of an Ocean Exploration Centre on the south coast (subject to third party funding and a final business case). | We do not anticipate any significant negative effects associated with our role in these services. |

ENVIRONMENT – PERFORMANCE MEASURES

| ENVIRONMENT | | | | |
|--|--|-----------|-----------|-----------|
| Objectives | Security of supply Waste reduction Access to green open spaces Biodiversity | | | |
| Outcome Indicators | Open space land owned or maintained by WCC - total hectares and sqm per capita Residents' usage of the city's open spaces - local parks and reserves, botanic gardens, beaches and coastal areas, and walkways Residents' perceptions that the natural environment is appropriately managed and protected Hours worked by recognised environmental volunteer groups and botanic garden volunteers Water consumption (commercial and residential combined) Freshwater biological health (macro invertebrates) - Makara, Karori, Kaiwharawhara and Porirua stream Freshwater quality - Makara, Karori, Kaiwharawhara and Porirua streams (note data for Owairo Stream not available) Energy use per capita Number/sqm of 'green star' buildings/space in the city Total kerbside recycling collected per capita Total waste to the landfill per capita Selected indicators from the City Biodiversity Index (specific indicators to be confirmed) | | | |
| 2.1 Gardens, beaches and green open spaces | | | | |
| 2.1.1 Local parks and open spaces | | | | |
| 2.1.2 Botanical gardens | | | | |
| 2.1.3 Beaches and coast operations | | | | |
| 2.1.4 Roads open spaces | | | | |
| 2.1.5 Town belts | | | | |
| 2.1.6 Community environmental initiatives | | | | |
| 2.1.7 Walkways | | | | |
| 2.1.8 Biodiversity (pest management) | | | | |
| 2.1.9 Waterfront public space | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of the open spaces we provide | Residents' satisfaction (%) with the quality and maintenance of green open spaces - local parks, playgrounds and reserves; botanic gardens; beaches and coastal areas; and walkways | 90% | 90% | 90% |
| | Number of visitors to the Botanic Gardens (including Otari-Wiltons Bush) | 1,280,000 | 1,280,000 | 1,280,000 |
| To measure the quality of street cleaning services | Residents' satisfaction (%) with the quality of street cleaning | 85% | 85% | 85% |
| | Street cleaning (%) compliance with quality | | | |

| | | | | |
|--|---|--|--|--|
| | performance standards | 98% | 98% | 98% |
| To measure the quality and quantity of work we undertake to protect biodiversity | We will plant 2 million trees by 2020 | 1,539,927 (77% of 2020 target) | 1,690,127 (85% of 2020 target) | 2 million by 2020 (100% of target) |
| | High value biodiversity sites (%) covered by integrated animal pest control or weed control | 59% | 63% | 70% by 2020 |
| | Proportion of grant funds successfully allocated (through milestones being met) | 95% | 95% | 95% |
| 2.2 Waste reduction and energy conservation | | | | |
| 2.2.1 Waste minimisation, disposal and recycling management | | | | |
| 2.2.2 Closed landfills aftercare | | | | |
| 2.2.3 Energy efficiency and conservation | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of waste reduction and recycling services | Residents (%) satisfaction with recycling collection services | 85% | 85% | 85% |
| | Waste diverted from the landfill (tonnes) | at least 16,500 tonnes of recyclable material | at least 16,500 tonnes of recyclable material | at least 16,500 tonnes of recyclable material |
| | Residents (%) who regularly use recycling (including weekly, fortnightly or monthly use) | 90% | 90% | 90% |
| To measure the quality of our waste disposal services | Residents (%) satisfaction with waste collection services | 90% | 90% | 90% |
| | Energy sourced from the Southern Landfill (GWh) | 8 GWh | 8 GWh | 8 GWh |
| To measure the amount (quantity) of the Council's energy consumption and emissions | WCC corporate energy use (including WCC general, pools and recreation centres, and CCOs) | Decrease in energy use from previous year | Decrease in energy use from previous year | Declining trend |
| | WCC corporate greenhouse gas emissions | Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050 | Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050 | Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050 |
| 2.3 Water | | | | |
| 2.3.1 Water network | | | | |
| 2.3.2 Water collection and treatment | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |

| To measure the quality of water supplied to residents and the services that ensure security of supply | Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria) and (Part 5 protozoal compliance criteria) | 100% | 100% | 100% |
|---|--|---|---|---|
| | Maintenance of water supply quality gradings from Ministry of Health | Maintain | Maintain | Maintain |
| | Customer satisfaction with water supply | 90% | 90% | 90% |
| | Number of complaints about: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) drinking water continuity of supply (f) responsiveness to drinking water complaints per 1000 connections. | n/a | n/a | n/a |
| | Median response time for: (a) attendance for urgent call outs (b) resolution for urgent call out (c) attendance for non-urgent call outs (d) resolution for non-urgent call outs | 60min 4 hours 36 hours 15 days | 60min 4 hours 36 hours 15 days | 60min 4 hours 36 hours 15 days |
| | Percentage of real water loss from networked reticulation system | <14% | <14% | <14% |
| | Average drinking water consumption/resident/day | 375 litres per day | 375 litres per day | 375 litres per day |
| | Number of unplanned supply cuts per 1000 connections | < 4 | < 4 | < 4 |
| | 2.4 Wastewater | | | |
| | 2.4.1 Sewage collection and disposal network | | | |
| | 2.4.2 Sewage treatment | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and timeliness of the wastewater service | Number of wastewater reticulation incidents per km of reticulation pipeline (blockages) | <=1.2 | <=1.2 | <=1.2 |
| | Dry weather wastewater overflows/1000 connections | 0 | 0 | 0 |
| | Customer satisfaction with the wastewater service | 75% | 75% | 75% |
| | Number of complaints about: (a) wastewater odour (b) wastewater system faults (c) wastewater system blockages (d) responsiveness to wastewater system issues per 1000 connections. | n/a | n/a | n/a |
| | Median response time for wastewater overflows: (a) attendance time (b) resolution time | (a) <= 1 hour (b) <= 6 hours | (a) <= 1 hour (b) <= 6 hours | (a) <= 1 hour (b) <= 6 hours |
| | | | | |

| To measure the impact of wastewater on the environment | Breaches of Resource consents for discharges from wastewater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from wastewater system | 0 | 0 | 0 |
|---|---|---------------|---------------|---------------|
| 2.5 Stormwater | | | | |
| 2.5.1 Stormwater management | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and timeliness of the stormwater service | Number of pipeline blockages per km of pipeline | <= 0.5 | <= 0.5 | <= 0.5 |
| | Customer satisfaction with stormwater management | 75% | 75% | 75% |
| | Number of complaints about stormwater system performance per 1000 connections | n/a | n/a | n/a |
| | Median response time to attend a flooding event | <= 60 minutes | <= 60 minutes | <= 60 minutes |
| To measure the impact of stormwater on the environment | Breaches of resource consents for discharges from stormwater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from stormwater system. | 0 | 0 | 0 |
| | Number of flooding events | n/a | n/a | n/a |
| | Number of habitable floors per 1000 connected homes per flooding event | n/a | n/a | n/a |
| | Percentage of days during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use. | 90% | 90% | 90% |
| | Percentage of monitored sites that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml | 90% | 90% | 90% |
| 2.6 Conservation attractions | | | | |
| 2.6.1 Conservation visitor attractions | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the success of our investments in conservation attractions | Zoo - visitors | 239,408 | 242,520 | 245,673 |
| | Zealandia - visitors | 93,600 | 96,500 | 98,430 |

ENVIRONMENT –ACTIVITY BUDGET

| 2.1 GARDENS, BEACHES AND GREEN OPEN SPACES | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|--|-------------------|------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |

| | | |
|---|----------------|----------------|
| 2.1.1 - Local parks and open spaces | 8,756 | 8,791 |
| 2.1.2 - Botanical gardens | 4,752 | 4,724 |
| 2.1.3 - Beaches and coast operations | 1,409 | 1,283 |
| 2.1.4 - Roads open spaces | 8,147 | 8,712 |
| 2.1.5 - Town belts | 4,665 | 4,722 |
| 2.1.6 - Community environmental initiatives | 743 | 757 |
| 2.1.7 - Walkways | 582 | 604 |
| 2.1.8 - Biodiversity (Pest management) | 1,704 | 1,824 |
| 2.1.9 - Waterfront Public Space | 1,737 | 4,856 |
| Total operating expenditure | 32,494 | 36,273 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 2.1.1 - Local parks and open spaces | 1,286 | 705 |
| 2.1.2 - Botanical gardens | 433 | 530 |
| 2.1.3 - Beaches and coast operations | 227 | 1,176 |
| 2.1.4 - Roads open spaces | - | - |
| 2.1.5 - Town belts | 135 | 248 |
| 2.1.6 - Community environmental initiatives | - | - |
| 2.1.7 - Walkways | 550 | 1,014 |
| 2.1.8 - Biodiversity (Pest management) | - | - |
| 2.1.9 - Waterfront Public Space | - | - |
| Total capital expenditure | 2,632 | 3,673 |

| 2.2 WASTE REDUCTION AND ENERGY CONSERVATION | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|---|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 2.2.1 - Waste minimisation, disposal and recycling management | 12,836 | 13,268 |
| 2.2.2 - Closed landfills aftercare | 522 | 414 |
| 2.2.3 - Energy efficiency and conservation | 282 | 416 |
| Total operating expenditure | 13,641 | 14,098 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |

| | | |
|---|--------------|------------|
| 2.2.1 - Waste minimisation, disposal and recycling management | 1,238 | 673 |
| 2.2.2 - Closed landfills aftercare | - | - |
| 2.2.3 - Energy efficiency and conservation | - | 65 |
| Total capital expenditure | 1,238 | 738 |

| 2.3 WATER | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|--|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 2.3.1 - Water network | 23,394 | 24,358 |
| 2.3.2 - Water collection and treatment | 14,932 | 15,934 |
| Total operating expenditure | 38,327 | 40,292 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 2.3.1 - Water network | 16,951 | 14,915 |
| 2.3.2 - Water collection and treatment | - | - |
| Total capital expenditure | 16,951 | 14,915 |

| 2.4 WASTEWATER | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|--|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 2.4.1 - Sewage collection and disposal network | 19,157 | 20,058 |
| 2.4.2 - Sewage treatment | 22,654 | 23,540 |
| Total operating expenditure | 41,811 | 43,598 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 2.4.1 - Sewage collection and disposal network | 10,481 | 11,236 |
| 2.4.2 - Sewage treatment | - | - |
| Total capital expenditure | 10,481 | 11,236 |

| 2.5 STORMWATER | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|------------------------------------|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 2.5.1 - Stormwater management | 17,588 | 18,147 |
| Total operating expenditure | 17,588 | 18,147 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 2.5.1 - Stormwater management | 4,455 | 7,020 |
| Total capital expenditure | 4,455 | 7,020 |

| 2.6 CONSERVATION ATTRACTIONS | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|--|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 2.6.1 - Conservation visitor attractions | 6,459 | 6,989 |
| Total operating expenditure | 6,459 | 6,989 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 2.6.1 - Conservation visitor attractions | 1,316 | 817 |
| Total capital expenditure | 1,316 | 817 |

3. Economic Development - Whanaketanga ōhanga

The Council attracts and supports business activity, markets Wellington to tourists from New Zealand and overseas, owns and operates performance venues and conference facilities, promotes business, education and cultural links through sister city relationships, and provides free weekend parking in the Central Business District.

We fund these activities to attract and retain talent, grow the tourism spend and economic returns from events, and increase inward investment and exports.

These activities make Wellington a more vibrant place to live and improve residents' quality of life, prosperity, identity and the opportunities available to them.

KEY PROJECTS

City Growth Fund

This fund supports initiatives that will contribute to Wellington's economic growth.

The objective of the fund is to support projects, partnerships and programmes that contribute to the economic growth of the city. Specifically they will:

- create and/or retain jobs
- increase the rating base
- support economic growth in key target sectors
- positively contribute to the Wellington's GDP and global reputation as a good place to do business.

\$2.4 million of funding is available in 2016/17 and it will be focussed on Events, Initiatives and Partnerships.

For more information go to:

<http://wellington.govt.nz/services/community-and-culture/funding/council-funds/wellington-economic-development-fund>

Free CBD Wi-Fi

CBDFree is a free to use, high capacity wireless service, available through most of Wellington's CBD area. The network is used by large numbers of Wellingtonians as well as visitors to the city and helps support Wellington's reputation as a technology and visitor friendly city internationally. The Wi-Fi is provided by CityLink, a local Wellington technology company and \$150,000 has been allocated to pay for this in 2016/17.

Business Investment Districts

Wellington City Council adopted its Business Improvement District (BID) policy in March 2013. BIDs involve a local business community within a defined geographical area developing projects and services that support local economic development.

The Kilbirnie Business Network has undertaken a process to determine whether a BID should be established in its area and this culminated in a poll that showed majority support to establish a BID. A new targeted rate, raising \$80,000 is to be applied in 2016/17 to commercially rated properties in the Kilbirnie BID area. Liability for this rate will be calculated as a fixed amount of \$500 per rating unit, plus a rate per dollar of rateable capital value for any capital value over \$1 million per rating unit.

Wellington Regional Economic Development Agency (WREDA)

WREDA is the new regional economic development agency combining the economic development activities of Wellington City Council and Greater Wellington Regional Council to advance the prosperity and liveability of the Wellington region. The new organisational structure for WREDA was finalised in late 2015 and during 2016/17 WREDA will focus its activities on making Wellington the most prosperous, liveable and vibrant region in Australasia.

Movie Museum and Convention Centre

Council has agreed in principle that it will build and own a modern purpose-built Movie Museum and Convention Centre on Cable Street, opposite Te Papa. The proposal was consulted on during 2015/16, and if the project receives final approval from Council and The Movie Museum Limited, construction of the Movie Museum and Convention Centre is expected to begin in 2016/17.

Westpac Stadium

We will provide a \$5.0m grant to the Wellington Regional Stadium Trust in 2016/17, this funding will be used to support the concourse upgrade to deliver a warmer, more welcoming environment for fans. The upgrade will

deliver a consistent look and feel for the concourse that better reflects Wellington, the local community and sporting achievements. This will include more natural lighting, upgraded flooring and improved facilities to deliver an improved fan experience.

ECONOMIC DEVELOPMENT – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|--|--|---|
| 3.1 City promotions and business support 3.1.1 WREDA 3.1.2 Wellington Convention Centre 3.1.3 Retail support 3.1.4 City Growth fund /Economic grants 3.1.5 Major projects- economy 3.1.6 International relations 3.1.7 Business improvement districts | Talent attraction and retention Grow tourism spend and economic returns from events. Grow inward investment and exports. Sustain city vibrancy. | <ul style="list-style-type: none"> Promoting Wellington to visitors Attracting and supporting major events Offering convention and concert venues Building regional and international relations Attracting and supporting business activity Exploring major economic development initiatives such as the: <ul style="list-style-type: none"> Runway Extension and airline attraction International film museum Convention Centre Indoor Arena War and Peace museum | We do not anticipate any significant negative effects associated with our role in these services. |

ECONOMIC DEVELOPMENT – PERFORMANCE MEASURES

| ECONOMIC DEVELOPMENT | | | | |
|--|--|---------|---------|---------|
| Objectives | Tourism spend Investment attraction / digital exports City vibrancy | | | |
| Outcome Indicators | Number of domestic and international visitors (guest nights) Average length of stay - international and domestic Number of major conferences Number of A-level events held in Wellington and their economic contribution New Zealand's top 200 companies based in Wellington Business enterprises - births and growths (net growth in business) Domestic and international airline passengers entering Wellington airport Free Wi-Fi usage (logons/day) - waterfront and central city Pedestrian counts - average of various Lambton Quay sites Businesses and employees in research and development sector Secondary (international) and Tertiary (international and domestic) students enrolled per 1,000 residents Events/activities held with international cities (in Wellington and overseas) | | | |
| 3.1 City Promotions and Business Support | | | | |
| 3.1.1 WREDA | | | | |
| 3.1.2 Wellington Convention Centre | | | | |
| 3.1.3 Retail support | | | | |
| 3.1.4 City Growth fund/Economic Grants | | | | |
| 3.1.5 Major projects - economy | | | | |
| 3.1.6 International relations | | | | |
| 3.1.7 Business improvement districts | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |

| | | | | |
|---|---|---|---|---|
| To measure the quality of our investments in promoting the city | WREDA - Positively Wellington Tourism partnership funding | Maintain council's funding at less than 50% of total income | Maintain council's funding at less than 50% of total income | Maintain council's funding at less than 50% of total income |
| To measure the usage of WCC supported events | Estimated attendance at WCC supported events | 500,000 | 600,000 | 700,000 |
| To measure the quality of our investments in economic development | Events Development Fund - ratio of direct spend to economic impact The proportion of grant funds successfully allocated (through milestones being met) | 20:1 95% | 20:1 95% | 20:1 95% |

ECONOMIC DEVELOPMENT – ACTIVITY BUDGET

| 3.1 CITY PROMOTIONS AND BUSINESS SUPPORT | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|---|-------------------|------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 3.1.1 - WREDA | 31,560 | 30,822 |
| 3.1.2 - Wellington convention centre | - | 1,051 |
| 3.1.3 - Retail support (free weekend parking) | 1,356 | 1,357 |
| 3.1.4 - City Growth Fund, economic growth and economic grants | 3,599 | 3,001 |
| 3.1.5 - Major economic projects | - | 5,000 |
| 3.1.6 - Regional and external relations | 572 | 661 |
| 3.1.7 - Business improvement districts | 114 | 194 |
| Total operating expenditure | 37,201 | 42,086 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 3.1.1 - WREDA | - | - |
| 3.1.2 - Wellington convention centre | 2,215 | 7,011 |
| 3.1.3 - Retail support (free weekend parking) | - | - |
| 3.1.4 - City Growth Fund, economic growth and economic grants | - | - |
| 3.1.5 - Major economic projects | - | - |
| 3.1.6 - Regional and external relations | - | - |
| 3.1.7 - Business improvement districts | - | - |
| Total capital expenditure | 2,215 | 7,011 |

4. Cultural wellbeing - Oranga ahurea

The Council funds city events and festivals; supports attractions such as Te Papa, Great War Exhibition, Space Place, and the city's galleries and museums; and supports community art and cultural activities.

The strength of Wellington's creative culture depends on people, the output of artists, writers, musicians, and dancers and on the expressiveness of Wellington's communities.

We fund these activities because they matter to the lives of individual Wellingtonians and to the community as a whole. They contribute to a diverse economy and build on Wellington's reputation as New Zealand's arts and culture capital. They also make the city a more vibrant place to live, help develop healthy and connected communities, and improve residents' quality of life.

KEY PROJECTS

Cultural grant funding

The Council will continue to encourage and celebrate diversity, by supporting arts and cultural events and small arts organisations. We have increased our cultural grants fund starting from 2016/17 which will increase our level of support to the Capital's arts and cultural institutions.

For more information go to:

<http://wellington.govt.nz/services/community-and-culture/funding/council-funds/arts-and-culture-fund>.

Outdoor Events

A new flagship Outdoor Events series will be launched in 2016/17 and the events to be organised focus on the city and will be free and accessible to all. The content will range across a number of creative fields – music, dance, theatre, circus and digital art.

Pukeahu National War Museum Park

This project was a key part of New Zealand's commemoration of the centenary of the First World War. The new park and Arras Tunnel – which are fantastic additions to the city – were largely funded by the Government. The Council supported the project and worked in partnership with the Ministry of Culture and Heritage and the New Zealand Transport Agency throughout their development.

The park has significantly improved the setting around the war memorial and provides space for the increasing number of people attending major ceremonial occasions such as Anzac Day every year. Year-round, it provides another great park and public space for everyone to enjoy as well as good walking and cycling connections. With assistance from the Government, we will maintain and look after the park from now on.

Circa Theatre

We have budgeted for a grant of \$250,000 over the next three years to support Circa theatre and \$15,000 per annum over the next three years for technical support of external groups using the theatre.

Toi Pōneke

Toi Pōneke Arts Centre and Gallery is a creative space for artists, arts businesses and arts organisations to meet, work, rehearse and exhibit in the heart of the city. From 2016/17 operational funding from the Council will be increased to pay for temporary professional and sector development programmes across different art disciplines, as well as fund the gallery operation. Improvements will also be made to Toi Pōneke's external signage and artworks.

CULTURAL WELLBEING – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|--|---|--|
| 4.1 Arts and cultural activities 4.1.1 City Galleries and Museums | The arts contribute to a vibrant CBD and provide opportunities for cultural expression Build a sense of place and | <ul style="list-style-type: none"> Funding to Te Papa, Wellington Museum, City Gallery, Capital E, the Cable Car Museum, Space Place and Nairn | We do not anticipate any significant negative effects associated with our role in these services |

| | | | |
|---|--|---|--|
| <p>4.1.2 Visitor attractions (Te Papa/Space Place/Film Museum)</p> <p>4.1.3 Arts and cultural festivals</p> <p>4.1.4 Cultural grants</p> <p>4.1.5 Access and support for community arts</p> <p>4.1.6 Arts partnerships</p> <p>4.1.7 Regional amenities fund</p> | <p>identity</p> <p>Grow visitation and exposure to creativity and innovation</p> | <ul style="list-style-type: none"> Street Historic Cottage. Support major events and festivals that generate economic returns Provide fund grants to arts organisations. Manage the Toi Pōneke Arts Centre and the City Art Collection. Te Aro o Nga Tupuna Heritage Trail and Te Motu Kairangi Plan | |
|---|--|---|--|

CULTURAL WELLBEING – PERFORMANCE MEASURES

| CULTURAL WELLBEING | | | | |
|---|---|---------------------------|---------------------------|---------------------------|
| Objectives | Sense of place and identity Diversity and openness Visitation Exposure to creativity and innovation | | | |
| Outcome Indicators | Residents frequency of engagement in cultural and arts activities New Zealanders' and residents' perceptions that "Wellington has a culturally rich and diverse arts scene" Resident perceptions that Wellington's local identity (sense of place) is appropriately valued and protected Events held at key city venues New Zealanders' and residents' perceptions that "Wellington is the arts capital of New Zealand" Residents' (%) agreement with the statement that "Wellington is an easy place to get involved in the arts" Te Papa visitors - total visitors, overseas visitors and NZ visitors from outside the region Customer (%) satisfaction with the NZ Festival Total tickets sold to the NZ Festival and the proportion sold to customers outside the region Total visits to museums and galleries (including Space Place) | | | |
| 4.1 Arts and Culture Activities | | | | |
| 4.1.1 City Galleries and Museums | | | | |
| 4.1.2 Visitor attractions (Te Papa/Space Place) | | | | |
| 4.1.3 Arts and cultural festivals | | | | |
| 4.1.4 Cultural grants | | | | |
| 4.1.5 Access and support for community arts | | | | |
| 4.1.6 Arts partnerships | | | | |
| 4.1.7 Regional amenities Fund | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and usage of our arts and culture support activities | Attendee satisfaction with Council supported arts and cultural festivals | 90% | 90% | 90% |
| | | 90% | 90% | 90% |
| | User (%) satisfaction with Toi Poneke facilities and services | 95% | 95% | 95% |
| | The proportion of grants funds successfully allocated (through milestones being met) | | | |
| | | 90% | 90% | 90% |
| | Proportion of outcomes delivered (previous projects-weighted by \$ value) | Increase on previous year | Increase on previous year | Increase on previous year |
| | Venues Subsidy - total number of performers and attendees at supported events | | | |
| | Economic contribution (\$) the NZ Festival makes to the city's economy (direct new spend) | | \$40m every second year | |
| | | 50% | 50% | 50% |
| | Cultural grants - % first time applicants who are successful | | | |

CULTURAL WELLBEING – ACTIVITY BUDGET

| 4.1 ARTS AND CULTURE ACTIVITIES | 2015/16 | 2016/17 |
|---|-------------------|-------------------|
| | LTP | ANNUAL PLAN |
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 4.1.1 - Galleries and museums (WMT) | 9,208 | 9,585 |
| 4.1.2 - Visitor attractions (Te Papa/Space Place/Film Museum) | 2,840 | 2,917 |
| 4.1.3 - Arts and cultural festivals | 2,692 | 3,233 |
| 4.1.4 - Cultural grants | 858 | 1,161 |
| 4.1.5 - Access and support for community arts | 659 | 767 |
| 4.1.6 - Arts partnerships | 2,277 | 2,481 |
| 4.1.7 - Regional Amenities Fund | 609 | 609 |
| Total operating expenditure | 19,142 | 20,754 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 4.1.1 - Galleries and museums (WMT) | 1,914 | - |
| 4.1.2 - Visitor attractions (Te Papa/ Space Place /Film Museum) | 180 | 9,248 |
| 4.1.3 - Arts and cultural festivals | - | - |
| 4.1.4 - Cultural grants | 100 | - |
| 4.1.5 - Access and support for community arts | 26 | 27 |
| 4.1.6 - Arts partnerships | - | - |
| 4.1.7 - Regional Amenities Fund | - | - |
| Total capital expenditure | 2,220 | 9,275 |

5. Social and Recreation - Pāpori me te hākinakina

The Council's social and recreation work includes providing housing for people in need, funding city safety initiatives, regulating and monitoring food and liquor outlets, preparing to deal with earthquakes and other emergencies, providing community and recreation centres and halls, providing public toilets and cemeteries, pools and libraries, supporting community groups and events, providing sport and recreation facilities, neighbourhood playgrounds and dedicated areas for our dogs.

We fund these services because they matter to the lives of individual Wellingtonians and to the community as a whole. They help to protect the most vulnerable people, keep people safe and healthy, and strengthen communities.

They provide opportunities for people to live healthy lifestyles, to reach their potential, and to enjoy themselves.

KEY PROJECTS

Arlington apartments upgrade

Arlington Apartments form an important part of WCC's social housing portfolio and to the wider affordable rental housing capacity in central Wellington. However most of the units are in poor condition, do not adequately support contemporary standards of living, and are in need of investment if they are to remain operational.

A decision has been made to replace the existing buildings with a new build modular solution. As part of the Housing Upgrade Programme, Arlington East will proceed with \$17.9 million being provided by WCC City Housing over a number of years for demolition, site works and construction of housing blocks. Arlington West is being treated as a separate project to be undertaken in the future.

Basin Reserve

The Basin Reserve is regarded as one of the New Zealand's top cricket venues, but faces competition from an increasing number of grounds around the country. The Basin Reserve needs significant investment to address a range of essential maintenance issues and a general upgrade of facilities.

The Basin Reserve Trust has developed a master plan to present a 25-year vision for the future of the ground. The plan outlines \$21 million of spending over the term of the LTP for the upgrade. Implementation of the plan began in July 2015.

Hockey Stadium artificial turf

Participation in hockey has grown significantly in the last decade, to a point where the National Hockey Stadium in Berhampore is now operating at capacity with 95 percent winter utilisation rate. We will install a third artificial turf sports field at the National Hockey Stadium in Berhampore to accommodate this growing demand and improve the stadium's capacity to host hockey tournaments and events. The total cost of this project is \$1.5 million and it is planned that it will be ready for use in 2017.

Terawhiti artificial turf

The Council has allocated \$740,000 for the development of an artificial playing surface at the former Terawhiti Bowling Club in Karori. This will help the Waterside Karori Association Football Club complete the project during 2016/17.

Johnsonville Library

The new library will be located between Keith Spry Pool and the Johnsonville Community Centre, allowing the three facilities to operate as an integrated community hub. It is likely to include a cafe and possibly other community spaces like a kindergarten, in addition to the library facilities. Design work for the new library has commenced and we have involved the community in the design process.

Community Centres and Halls

We support a city wide network of community centres that help bring people together, improve and strengthen neighbourhoods, community resilience and community safety. We are planning to upgrade a number of community centres in the coming years to ensure they serve the community's needs. This year we will begin the planning work for Aro Valley Community Centre and Newtown Community and Cultural Centre with construction in 2018/19.

Toitu Pōneke Sports Hub

The Council has provided \$750,000 in 2016/17 for the redevelopment of a community and sports hub building at Kilbirnie Park subject to further development of the funding arrangements with Council, and a wider pool of clubs and groups being able to access to the sports hub building.

School pools fund

Through this contestable fund we partner with schools to increase the total available pool capacity and aquatic programme opportunities throughout the city. Upgrades of school pools at Wellington East Girls College and Rewa Rewa School have been started and will finish during 2016/17. Newtown and Kahurangi Schools are planning for building work and refurbishment in 2016/17 with support of this fund.

See: <http://wellington.govt.nz/services/community-and-culture/funding/council-funds/school-pools-partnership-fund>

Freyberg Pool renewal

The Freyberg Pool will be undergoing its five yearly maintenance closure which will see \$1.76 million spent on renewing and upgrading the pool and its facilities during 2016/17.

Playground upgrades

We are building a new community playground around the Wakefield Park precinct in Berhampore and undertaking the renewal of playgrounds at:

- Lyall Bay Parade play area
- Alexandra Road play area in Hataitai
- Arlington Rd Play Area – in Karori
- Redwood/Brasenose Reserve play-area in Tawa.

Supporting community resilience - Social and Recreation grant funding

This fund aims to foster strong, sustainable communities and support building capacity in the community. For 2016/17 we will prioritise projects that will have a positive social impact on: vulnerable groups, including refugees; street communities and place-based programmes; community and neighbourhood resilience; community safety; Wellington becoming a UNICEF child and youth friendly city.

See: <http://wellington.govt.nz/services/community-and-culture/funding/council-funds/social-and-recreation-fund>

Te Mahana programme

Te Mahana is a community-driven strategy focussed on ending homelessness in Wellington, and will continue to work strategically on the further development of partnership approaches to ending homelessness. We are establishing a strategic partnership group to be chaired by the Mayor. This group will focus on an interagency approach to ensure services are aligned and resources are shared.

Dog exercise areas

We propose to construct fences around two dog exercise areas over the next two years. This will cost \$200,000 in capital expenditure. These areas make it possible to have dogs off their leash to run free and keep them and the public safe. Subject to finding suitable sites.

Graffiti Management

In our Residents Monitoring Survey, 98% of Wellingtonians perceive their city to be safe, and we would like to keep it that way. While only 40% of our residents voiced concerns over graffiti, the overall perception is that graffiti contributes to people feeling unsafe when walking in town.

Food Act changes

The Food Act 2014 came into effect on 1 March 2016 and Council will implement the changes to its cost recovery model during the year and ensure that the impact of the new Act on one-off charity, school and sports events, and Early Childhood Education Centres is reasonable.

Smokefree Wellington Action Plan

This Action Plan supports the Government's goal for New Zealand to be smoke free by 2025. Focus areas for the Council for the year are: extending smoke free outdoor areas; smoke free promotion and community engagement, including smoke free events (smoke free includes cessation support), leadership and advocacy. Areas around the city to become smoke free include Civic Square, bus stops, Council housing, and Council operated community centres, pools, recreation centres, building entrances, and laneways. The goal of the Plan is that by 2025, less than 5 percent of Wellingtonians will smoke.

SOCIAL AND RECREATION – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|--|---|---|--|
| 5.1 Recreation promotion and support 5.1.1 Swimming pools 5.1.2 Sports fields 5.1.3 Sports fields (synthetic) 5.1.4 Recreation Centres 5.1.5 Recreation partnerships 5.1.6 Playgrounds 5.1.7 Marinas 5.1.8 Golf course 5.1.9 Recreation programmes | Encouraging active and healthy lifestyles Enabling participation in sporting and other group activities Social cohesion Greater participation with encouragement of greater use of existing facilities | <ul style="list-style-type: none"> Seven swimming pools for people to learn to swim, exercise, participate in aquatic sports or have fun Four multi-purpose recreation centres plus the ASB Sports Centre 44 natural and nine artificial sports turfs (two in partnership with schools), eight croquet lawns, Berhampore Golf Course, Newtown Park running track, a velodrome, tennis / netball courts The Evans Bay Marina and Clyde Quay Boat Harbour Funding towards the Basin Reserve Master Plan Upgrade | <p>There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste (solid, liquid), direct energy use to operate the building, indirect energy use from people using transport to access them. Our operations are managed so that waste is minimised or recycled and energy and water is conserved. We also encourage the use of public transport, walking and cycling as a means of getting around the city.</p> <p>Our swimming pools pose the additional risks of drowning. We manage this through a number of steps, most notably through the continuous presence of trained lifeguards. We also offer learn to swim programmes.</p> |
| 5.2 Community support 5.2.1 Libraries 5.2.2 Access support 5.2.3 Community advocacy 5.2.4 Grants (Social and Recreation) 5.2.5 Housing 5.2.6 Community centres and halls | Fostering diverse and inclusive communities. Enabling people to connect with information & each other. | <ul style="list-style-type: none"> 12 libraries plus an online branch providing access to a wide array of books, magazines, DVD, e-books and e-audio, online journals, e-music tracks. Community outreach and children's literacy programmes Provision of community facilities and services including a city wide network of 18 community centres and community grants Partnering with key social and health agencies to ensure there is a coordinated approach to address emerging community issues Support community service providers and programmes to meet the needs of our diverse communities and most vulnerable residents. Housing approximately 4,000 people in 2,200 units 18 community centres and halls providing services, programmes, spaces for hire, childcare and education services | <p>We undertake these activities to enhance the quality of life of the city's residents and mitigate social harm</p> <p>While there are negative effects from owning and managing buildings and other assets through which the majority of these services are provided – we seek to minimise these negative effects by ensuring our operations are managed effectively and that waste is minimised or recycled and energy and water is conserved</p> |

| | | | |
|--|--|--|--|
| 5.3 Public health and safety 5.3.1 Burials and cremations 5.3.2 Public toilets 5.3.3 Public health regulations 5.3.4 City safety 5.3.5 WREMO | Maintaining health standards Activities that make people feel safe Safety (and child friendly) | <ul style="list-style-type: none"> Cemeteries at Karori and Makara with a crematorium at Karori Cemetery 70 public toilets, beach and sportsfields changing rooms/pavilions Regulating food and liquor outlets, animal, trade waste and managing environmental noise issues Maintaining WHO Safe City accreditation Provide a 'city host' service, managing graffiti and supporting community initiatives | These activities exist to mitigate and manage significant risks – from natural disasters, personal safety in the city, to unhealthy food preparation practices These activities are necessary to ensure negative effects from other people's activities or from a natural disaster are controlled and managed |
|--|--|--|--|

SOCIAL AND RECREATION – PERFORMANCE MEASURES

| SOCIAL AND RECREATION | | | | |
|--|--|----------------|----------------|------------------|
| Objectives | Social cohesion Participation in city life Greater use of existing facilities Safety (and child friendly) | | | |
| Outcome Indicators | Residents' usage of City Council community and recreation facilities Residents' perceptions that Wellington offers a wide range of recreation activities Residents' frequency of physical activity Residents' perceptions that there are barriers to participating in recreation activities Residents' importance of sense of community in local neighbourhood Residents' usage of libraries and frequency of use Residents' engaging in neighbourly actions Housing Services tenants who report positive social contact Residents' perceptions - city and community safety issues of most concern Recorded crime and resolution rates - by categories Number of notifications of the most prevalent food and water-borne diseases Residents' life expectancy Food premises - number of cleaning notices and closures per year Percentage of food premises with an inspection rating of excellent or very good that maintain or improve their inspection rating Number of uses of Leisure Card Dog control - complaints received (% of registered dogs) | | | |
| 5.1 Recreation Promotion and Support 5.1.1 Swimming pools 5.1.2 Sports fields 5.1.3 Sports fields (synthetic) 5.1.4 Recreation Centres 5.1.5 Recreation partnerships 5.1.6 Playgrounds 5.1.7 Marinas 5.1.8 Golf course 5.1.9 Recreation programmes | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and usage (quantity) of the recreation facilities we provide | User (%) satisfaction - swimming pools | 90% | 90% | 90% |
| | User (%) satisfaction - recreation centres and ASB centre | 90% | 90% | 90% |
| | User (%) satisfaction - sports fields (including artificial sports fields) | 85% | 85% | 85% |
| | Visits to facilities - swimming pools | 1.260m | 1.277m | Increasing trend |
| | Visits to facilities - recreation centres and ASB Centre | 1.06m | 1.07m | 1.08m |

| | ASB Centre courts utilisation (%) | 45% | 46% | 46% |
|---|---|--|--|--|
| | Sports fields - % of scheduled sports games and training that take place | Winter 80% Summer 90% | Winter 80% Summer 90% | Winter 80% Summer 90% Peak Winter 80% Peak Summer 40% |
| | Marinas occupancy | 96% | 96% | Off peak winter 25% Off peak summer 20% |
| | Artificial sports fields % utilisation - peak and off peak (summer and winter) | Peak Winter 80% Peak Summer 40% Off peak winter 25% Off peak summer 20% | Peak Winter 80% Peak Summer 40% Off peak winter 25% Off peak summer 20% | |
| 5.2 Community Support 5.2.1 Libraries 5.2.2 Access support 5.2.3 Community advocacy 5.2.4 Grants (Social and Recreation) 5.2.5 Housing 5.2.6 Community centres and halls | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and usage (quantity) of the housing services we provide | Tenant satisfaction (%) with services and facilities | 90% | 90% | 90% |
| | Tenant rating (%) of the overall condition of their house/apartment (good and very good) | 90% | 90% | 90% |
| | Tenant (%) sense of safety in their complex at night | 75% | 75% | 75% |
| | Occupancy rate of available housing facilities | | | |
| | All tenants (existing and new) housed with policy | 90% 98% | 90% 98% | 90% 98% |
| To measure the progress of the Housing Upgrade Project | Agreed milestones, design standards and budgets are met in accordance with the agreed works programme and Deed of Grant between the Crown and the Council | To achieve | To achieve | To achieve |
| To measure the quality and usage (quantity) of our community and recreation support services (including libraries) | Libraries - user (%) satisfaction with services and facilities | 90% | 90% | 90% |
| | E-library users satisfaction (%) with the online library collection | 75% | 75% | 75% |
| | Accessible Wellington Action Plan initiatives planned for next year | 90% | 90% | 90% |
| | The proportion of grants fund successfully allocated (through milestones being met) | 95% | 95% | 95% |
| | Proportion of outcomes delivered (previous projects) - weighted by \$ value | 90% | 90% | 90% |

| | Libraries - residents (%) who are registered members | 75% | 75% | 75% |
|--|---|----------------|----------------|----------------|
| | Libraries - physical visits | 2.4m | 2.4m | 2.4m |
| | Libraries - website visits | 2.5m | 2.5m | 2.5m |
| | Library items issued | 3m | 3m | 3m |
| | Occupancy rates (%) of Wellington City Council Community Centres and Halls | 45% | 45% | 45% |
| 5.3 Public Health and Safety 5.3.1 Burials and cremations 5.3.2 Public toilets 5.3.3 Public health regulations 5.3.4 City safety 5.3.5 WREMO | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of our public health and safety services and programmes and our timeliness in responding to service requests | Dog control - urgent requests responded to within one hour and non-urgent within 24 hours | Urgent 100% | Urgent 100% | Urgent 100% |
| | | Non urgent 99% | Non urgent 99% | Non urgent 99% |
| | WCC public toilets - urgent requests responded to within four hours and non-urgent within three days | Urgent 100% | Urgent 100% | Urgent 100% |
| | | Non urgent 95% | Non urgent 95% | Non urgent 95% |
| | WCC public toilets (%) that meet required cleanliness and maintenance performance standards | 95% | 95% | 95% |
| | Percentage of alcohol inspections carried out for medium to very high risk premises | 100% | 100% | 100% |
| | Percentage of alcohol inspections carried out for medium to very high risk premises during high trading hours | 25% | 25% | 25% |
| | Graffiti removal - response timeframes met | 80% | 80% | 80% |

SOCIAL AND RECREATION – ACTIVITY BUDGET

| 5.1 RECREATION PROMOTION AND SUPPORT | 2015/16 LTP GROSS EXPENDITURE | 2016/17 ANNUAL PLAN GROSS EXPENDITURE |
|--------------------------------------|-------------------------------------|---|
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 5.1.1 - Swimming pools | 20,476 | 20,924 |
| 5.1.2 - Sportsfields | 3,405 | 3,514 |
| 5.1.3 - Sportsfields (Synthetic) | 1,354 | 1,353 |

| | | |
|------------------------------------|----------------|----------------|
| 5.1.4 - Recreation centres | 9,703 | 9,998 |
| 5.1.5 - Recreation partnerships | 1,088 | 1,107 |
| 5.1.6 - Playgrounds | 737 | 795 |
| 5.1.7 - Marinas | 602 | 673 |
| 5.1.8 - Golf course | 270 | 260 |
| 5.1.9 - Recreation programmes | 282 | 280 |
| Total operating expenditure | 37,916 | 38,994 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 5.1.1 - Swimming pools | 2,417 | 1,853 |
| 5.1.2 - Sportsfields | 650 | 905 |
| 5.1.3 - Sportsfields (Synthetic) | 560 | 1,789 |
| 5.1.4 - Recreation centres | 260 | 77 |
| 5.1.5 - Recreation partnerships | 3,468 | 1,597 |
| 5.1.6 - Playgrounds | 414 | 455 |
| 5.1.7 - Marinas | 558 | 141 |
| 5.1.8 - Golf course | - | - |
| 5.1.9 - Recreation programmes | - | - |
| Total capital expenditure | 8,325 | 6,817 |

| 5.2 COMMUNITY SUPPORT | 2015/16 ETP | 2016/17 ANNUAL PLAN |
|--|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 5.2.1 - Libraries | 20,843 | 22,494 |
| 5.2.2 - Access support (Leisure Card) | 105 | 102 |
| 5.2.3 - Community advocacy | 1,279 | 1,219 |
| 5.2.4 - Grants (Social and Recreation) | 3,643 | 4,223 |
| 5.2.5 - Housing | 25,540 | 25,104 |
| 5.2.6 - Community centres and halls | 3,201 | 3,473 |

| | | |
|--|----------------|----------------|
| Total operating expenditure | 54,611 | 56,615 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 5.2.1 - Libraries | 5,627 | 9,521 |
| 5.2.2 - Access support (Leisure Card) | - | - |
| 5.2.3 - Community advocacy | - | - |
| 5.2.4 - Grants (Social and Recreation) | - | - |
| 5.2.5 - Housing | 29,121 | 23,861 |
| 5.2.6 - Community centres and halls | 154 | 262 |
| Total capital expenditure | 34,902 | 33,644 |

| 5.3 PUBLIC HEALTH AND SAFETY | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|-------------------------------------|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 5.3.1 - Burials and cremations | 1,648 | 1,655 |
| 5.3.2 - Public toilets | 2,661 | 2,962 |
| 5.3.3 - Public health regulations | 5,276 | 5,254 |
| 5.3.4 - City safety | 2,674 | 2,815 |
| 5.3.5 - WREMO | 1,337 | 1,534 |
| Total operating expenditure | 13,596 | 14,220 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 5.3.1 - Burials and cremations | 635 | 316 |
| 5.3.2 - Public toilets | 984 | 1,621 |
| 5.3.3 - Public health regulations | - | - |
| 5.3.4 - City safety | - | - |
| 5.3.5 - WREMO | 52 | 73 |
| Total capital expenditure | 1,671 | 2,010 |

6. Urban Development - Tāone Tupu Ora

The Council's urban development work includes urban planning and design, controlling building activity and land use, assessing risks from earthquake-prone buildings, and developing and enhancing public spaces.

Our work helps to make Wellington a compact, vibrant, attractive city in which it is easy to get from place to place, while reducing adverse effects on the environment. It is crucial for people's health and safety, in the buildings they live and work in, and the public spaces they use. It is vital for the environment because a city with a smaller footprint produces fewer emissions and consumes fewer resources.

The Council's key roles are to provide public spaces and infrastructure, to plan and control development so the city can support a strong economy and a high quality of life in an environment that is both attractive and sustainable.

All of our work involves partnerships with developers and home owners who want to build or extend, with commuters who want to get to and from work or school, with businesses taking goods to market and with everyone who lives, works and plays in the city.

KEY PROJECTS

Urban Development Agency

Council has agreed to establish an Urban Development Agency to unlock the development potential in the city by removing barriers to development. This year a detailed proposal for establishment of the Agency will be prepared for consideration by Council on what type of entity the Agency will be, its accountability and monitoring arrangements, its funding model, and areas of focus.

Adelaide Road redevelopment

Although Wellington has a vibrant Central Business District, parts of the inner city remain underdeveloped. By focusing future development on the 'growth spine', linking the northern suburbs to the central city, the Basin Reserve, Newtown and Kilbirnie this spine, we can significantly increase housing supply and create vibrant, new, mixed-use city and suburban areas.

To this end work will begin this year on the initial planning stage of redeveloping Adelaide Road. Redeveloping the north end of Adelaide Road will deliver a vibrant, mixed-use neighbourhood with high quality public spaces, rapid bus links, and new developments featuring apartments, workplaces, shops and cafes.

Lombard Lane redevelopment

We are working with others to increase levels of economic activity and pedestrian movement along inner city lanes and streets. These works will include physical improvements such as lighting, paving, planting, creating a new and improved Denton Park and a shared street. Improvements to Lombard Lane are part of this wider programme of street and laneway upgrades and \$1.5 million has been budgeted in 2016/17 for this work.

Cable Car Lane redevelopment

Cable Car Lane is one of Wellington's most visited tourist destinations and receives approximately 1.2 million visitors per year. The Lane is difficult to find and requires a refresh for operational and safety reasons. The Lane will be upgraded in 2016/17 to align with the Cable Car shutdown between July and October.

Frank Kitts Park upgrade

Frank Kitts Park plays an important role in the city as a gathering place and site for waterfront events. The park was completed in the 1980s, with a design aimed at allowing spectators to safely watch the annual waterfront street car race that ran at the time. The Council is proposing to redevelop the park, re-orienting its focus towards the harbour, including a long-planned Chinese Garden and large areas of open lawn, along with a much improved children's play area.

The redeveloped park is due for completion in 2018 and will cost \$5.5 million over the next two years. The redevelopment will create a more diverse and attractive harbour-front space, suitable for a range of uses.

Tawa Town Centre

The Council is currently planning to encourage more medium-density housing to be built in areas that can support high quality developments. To make sure these areas will continue to be suitable for more housing, the

Council is also running a town centre planning programme that provide a vision for the town centre and an action plan to achieve this vision.

The Tawa Town centre upgrade was originally planned for 2019/20 but will now be brought forward to 2016/17 due to community support for an early start and concept design and costings have been completed. The Upgrade will cost \$1.0 million.

Urban Activation Fund

The Urban Activation Fund is aimed at transforming Wellington's streets and laneways with a variety of projects that will enhance the city's vibrancy and character. This year we will improve Holland Street and Garret Street, Swan Lane and Cable Car Lane. To build on the success of 'pop-up' projects in Bond Street and Civic Square, funding has also been allocated to small-scale activation projects that make the most out of our urban spaces.

Built Heritage Incentive Fund

The Council's Built Heritage Incentive Fund helps owners maintain their heritage buildings. The fund recognises the importance of conserving, restoring, protecting and caring for Wellington's heritage-listed buildings, objects, and buildings in heritage areas as in the Wellington City District Plan Heritage List or Heritage Areas

The fund has \$3 million to allocate over three years and 15% of the fund is reserved for conservation-specific work, while 85% is intended for work related to earthquake strengthening. The proposed work should maintain or enhance the building's heritage values. For 2016/17 \$1.25 million is budgeted to be allocated.

See: <http://wellington.govt.nz/services/community-and-culture/funding/council-funds/built-heritage-incentive-fund>

City resilience

Wellington has been selected as one of the Rockefeller Foundation-pioneered 100 Resilient Cities (100RC). Under the 100RC arrangement, Wellington is provided with support to develop a Resilience Strategy, and to commence implementation. The majority of the development on the Strategy work will occur in the 2016/17 financial year, funded by 100RC. The Strategy has strong linkages to other Council priorities and outcomes, including infrastructure, economic and social policy areas.

Key themes are likely to include areas such as: adaptation to climate change; earthquake resilience; quality of life and economic prosperity. The themes will be finalised following public engagement through workshops, a survey and interviews.

It is anticipated that the Strategy will identify programmes of work and projects that will be presented to Council as part of the 2018-28 Long-term Plan deliberations.

Town Hall strengthening

The Council is working on strengthening and upgrading the Wellington Town Hall, including the potential for a Music Hub to be established. Victoria University School of Music and the New Zealand Symphony Orchestra are working with Council to plan an upgrade of the building for their use, as well as other Council uses.

We intend to take the opportunity to adapt the building for the Music Hub, or other Council uses, as part of the design where it is cost effective. The work has to provide good value for the long term benefit of the city and the complexity of the ground conditions and piles required detailed work to provide the best option. We are checking the previous base isolation design and expect to either reuse it or adapt it to take advantage of new technology and market changes.

We plan to present options and costs to Council at the end of 2016 and start construction during 2017.

To find out more go to:

<http://wellington.govt.nz/your-council/projects/earthquake-strengthening-projects/town-hall-strengthening/about-the-project>

Placemaking

During the year we will spend up to \$155,000 to create public spaces that will attract people. This will include suburban beautification projects and installing heritage building plaques, street identifying signs and historic character pedestrian traffic signs (like those of Kate Sheppard).

Commonwealth Walkway

The Commonwealth Walkway is a network of walkways across the Commonwealth established with the aim of inspiring young people to walk for the physical and mental health. We plan to create New Zealand's first Commonwealth Walkway that will connect 32 monuments, parks, building and historic places along a 9 km loop.

CBD drinking fountains

Three water fountains will be installed in the Central Business District this year at Midland Park, Civic Square and Lower Cuba Street. This is to provide a healthy drinking option for where families and young people congregate.

URBAN DEVELOPMENT – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|--|--|---|
| 6.1 Urban planning, heritage and public spaces development (including Waterfront development) 6.1.1 Urban planning and policy development 6.1.2 City Shaper development 6.1.3 Public spaces and centres development 6.1.4 Built heritage development | Smart growth/urban containment Resilience Character protection | <ul style="list-style-type: none"> Guiding where and how the city grows through the District Plan Maintaining Wellington's sense of place and pride by preserving the city's heritage and developing public spaces including the Waterfront Key projects include: <ul style="list-style-type: none"> Frank Kitts Park upgrade Adelaide Road regeneration Kent and Cambridge Terraces urban regeneration project | <p>Population growth and urban development, if not well managed, can have negative effects on a city's environment and on social well-being. Left unchecked, growth can result in a reduction of open and green spaces with consequences for recreational opportunities, amenity and even some ecosystems.</p> <p>Development in the wrong areas, or the wrong types of development, can place strain on infrastructure and reduce people's ability to access services and enjoy the opportunities the city offers. Poorly-planned growth and poor development and construction of individual buildings can reduce the attractiveness of the city and the 'sense of place' that people identify with and it can have a direct impact on people's safety. As explained above, we aim to avoid or mitigate these negative effects by guiding future development into areas where the benefits are greatest and the negative effects least.</p> <p>The tools we use include planning, working with landowners, direct investment in development of public spaces, and using our regulatory powers under legislation such as the Building Act and Resource Management Act</p> |
| 6.2 Building and development control 6.2.1 Building control and facilitation 6.2.2 Development control and facilitation 6.2.3 Earthquake risk mitigation – built environment | | <ul style="list-style-type: none"> Ensuring buildings are safe in accordance with the Building Act Ensuring natural resources are used sustainably in line with the Resource Management Act | <p>These activities exist to mitigate and manage risks from development, construction, weather-tight building problems and from earthquakes.</p> <p>Development and construction, if not well managed, can have negative effects on a city's environment and on social well-being, and on the safety of individuals.</p> <p>Development in the wrong areas, or the wrong types of development, can place strain on infrastructure and reduce people's ability to access services and enjoy the opportunities the city offers.</p> <p>Poorly-planned growth, and poor development and construction of individual buildings, can reduce the attractiveness of the city and the 'sense of place' that people identify with and it can have a direct impact</p> |

| | | | |
|--|--|--|--|
| | | | <p>on people's safety.</p> <p>Our quake-prone building assessment programme is focused on ensuring quake-prone buildings are strengthened to required standards to ensure the safety of those that occupy the building and its surrounds</p> |
|--|--|--|--|

URBAN DEVELOPMENT – PERFORMANCE MEASURES

| URBAN DEVELOPMENT | | | | |
|---|--|-----------------------------|-----------------------------|------------------|
| Objectives | Smart growth / urban containment Resilience Character protection | | | |
| Outcome Indicators | Residents' perceptions that Wellington is a great place to live, work and play Value of residential and commercial building consents Population - growth and density (central city, growth spine) Residents' perceptions of the city centre as an easy place to get to, use and enjoy Residents' perceptions of urban design/urban form safety issues (i.e. Graffiti, vandalism, Poorly lit public spaces, etc.) Building density throughout the city Proportion of houses within 100m of a public transport stop Residents' perceptions that heritage items contribute to the city and local communities' unique character New Zealanders' perceptions that Wellington is an attractive destination | | | |
| 6.1 Urban Planning, Heritage and Public Spaces Development (including Waterfront Development) | | | | |
| 6.1.1 Urban planning and policy development 6.1.2 City Shaper development 6.1.3 Public spaces and centres development 6.1.4 Built heritage development | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of our urban planning, heritage protection and development work | Residents (%) who agree the city is developing in a way that maintains high quality design | Increase from previous year | Increase from previous year | increasing trend |
| | District Plan listed items that are removed or demolished | Nil | Nil | Nil |
| | Residents (%) who agree the central city is lively and attractive | 87% | 87% | 87% |
| | Residents (%) who agree their local suburban centre is lively and attractive | 60% | 60% | 60% |
| | Residents (%) who rate their waterfront experience as good or very good | 90% | 90% | 90% |
| | Proportion of grants funds successfully allocated(through milestones being met), | 95% | 95% | 95% |
| | Residents (%) who agree heritage items are appropriately valued and protected | 65% | 65% | 65% |
| 6.2 Building and Development Control | | | | |
| 6.2.1 Urban planning and policy development 6.2.2 City Shaper development 6.2.3 Public spaces and centres development 6.2.4 Built heritage development | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |

| | | | | |
|--|--|------|-----------|------|
| To measure the timeliness of our building and development control services | Building consents issued within 20 working days | 100% | 100% | 100% |
| | Code of Compliance Certificates issued within 20 working days | 100% | 100% | 100% |
| | Land Information Memorandums (LIMs) issued within 10 working days | 100% | 100% | 100% |
| | Resource consents (non-notified) issued within statutory timeframes | 100% | 100% | 100% |
| | Resource consents that are monitored within 3 months of project commencement | 90% | 90% | 90% |
| | Subdivision certificates - Section 223 certificates issued within statutory timeframes | 100% | 100% | 100% |
| | Noise control (excessive noise) complaints investigated within one hour | 90% | 90% | 90% |
| | Environmental complaints investigated within 48 hours | 98% | 98% | 98% |
| To measure the quality of our building and development control services | Customers (%) who rate building control services as good or very good | 70% | 70% | 70% |
| | Building Consent authority (BCA) accreditation retention (2-yearly) | n/a | To retain | n/a |
| To measure our progress on earthquake risk mitigation | Earthquake prone building notifications (section 124) (%) that are issued without successful challenge | 95% | 95% | 95% |

URBAN DEVELOPMENT – ACTIVITY BUDGET

| 6.1 URBAN PLANNING, HERITAGE AND PUBLIC SPACES DEVELOPMENT | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|--|-------------------|------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 6.1.1 - Urban planning and policy | 2,277 | 2,094 |
| 6.1.2 - Waterfront development | 972 | 1,326 |
| 6.1.3 - Public spaces and centres development | 2,169 | 2,224 |
| 6.1.4 - Built heritage development | 1,498 | 1,998 |
| Total operating expenditure | 6,916 | 7,642 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 6.1.1 - Urban planning and policy | - | - |
| 6.1.2 - Waterfront development | 6,843 | 6,390 |
| 6.1.3 - Public spaces and centres development | 1,425 | 4,163 |
| 6.1.4 - Built heritage development | - | - |
| Total capital expenditure | 8,268 | 10,553 |

| 6.2 BUILDING AND DEVELOPMENT CONTROL | 2015/16 | 2016/17 |
|--|-------------------|-------------------|
| | LTP | ANNUAL PLAN |
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 6.2.1 - Building control and facilitation | 13,809 | 13,624 |
| 6.2.2 - Development control and facilitation | 5,981 | 5,971 |
| 6.2.3 - Earthquake risk mitigation - built environment | 1,710 | 1,056 |
| Total operating expenditure | 21,500 | 20,651 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 6.2.1 - Building control and facilitation | - | - |
| 6.2.2 - Development control and facilitation | - | - |
| 6.2.3 - Earthquake risk mitigation - built environment | 5,940 | 3,041 |
| Total capital expenditure | 5,940 | 3,041 |

7. Transport – Waka

Bus priority planning

Wellington already has a number of bus lanes and other bus priority measures in place that are working well, but the city will need more. Bus priority measures give buses priority over other traffic and the Council in conjunction with GWRC plans to gradually expand the range and scope of bus priority measures.

Cycleway planning and implementation

Like other well-connected cities, we plan to improve the city's cycling network. A better cycling network would encourage uptake of cycling as a transport mode, increase the health of participants, increase the carrying capacity of the city's roads, reducing congestion and help lower the city's emission profile.

Implementing cycleways in Wellington has its challenges because we are retrofitting them into established streets. Because of the city's narrow and winding streets, some road or footpath space must be reallocated. This may mean prioritising cycle lanes or cycle parking over other on-street uses in some areas.

The planned network will span the city with routes connecting suburbs to the central city. The plan is to roll it out over the next 10-15 years. In the coming year, subject to a joint NZTA /WCC review of the cycle programme the focus will be on narrowing down options for the Eastern Suburbs, reviewing the Island Bay cycle way, and progressing the Hutt Road cycleway (see below).

Hutt Road cycleway

Wellington's busiest cycle route, and one of its busiest bus corridors, will be made safer and more efficient with a new cycleway and transport improvements planned for the Hutt Road between Ngauranga and the central city. Work is scheduled to start this year and will be completed in 2018.

We have plans to build a new high-quality cycle path/footpath to make this route safer for pedestrians, cyclists and motorists. Two-thirds of the indicative \$9 million cost will be paid by the Government through the new Urban Cycleways Fund and the National Land Transport Fund. The Council's budgeted share is \$3.12 million.

The Hutt Road pathway is part of the Council's planned \$36 million investment in cycling over the next three years.

Ngauranga to Airport

The Ngauranga to Airport project aims to improve the flow of traffic through Wellington City. As part of this project in 2016/17 we will be undertaking a number of small projects at the cost of \$375,000 to improve pedestrian flow in the central Business District. In addition the proposal to lower the speed limits within the CBD is being re-examined with possible implementation to occur within the 2016/17 year.

Safer speeds

The Council's proposal to reduce vehicle speeds in key suburban areas of the city. Studies show that reducing vehicle speeds significantly reduces the number and severity of injuries. It is expected that there will be little effect on motorists' travel times. The cost for 2016/17 for the safer speeds project are \$1.3 million.

Parking sensors

We are implementing the use of smart technology to will make it easier for people to find car parks and pay for parking. Wireless sensors fitted into the road surface can provide information on whether a car park is occupied. This information can be used to tell drivers where car parks are available, as well as the price for parking. The sensors can be incorporated with online payment systems, making it easy for drivers to pay for their parking, and ensuring they only pay for the time they use. We plan to spend \$380,000 on implementing this technology during 2016/17.

Parking officers

Parking Services was brought in-house in 2014 and as a result of the positive outcomes, demand for parking services has grown. In order to provide service levels similar to those from when the function was outsourced, additional staff is now required to meet this demand. The increase in staffing levels will enable the continuation of quality service levels, including supporting the implementation of parking sensors.

Cable car

As part of Cable Car's maintenance programme we will be providing funding for the replacement of the drive mechanism for the Wellington Cable Car in the coming year.

TRANSPORT – GROUP OF ACTIVITIES

| GROUP OF ACTIVITIES | RATIONALE | SERVICE OFFERING | NEGATIVE EFFECTS |
|---|--|---|--|
| 7.1 Transport 7.1.1 Transport planning 7.1.2 Vehicle network 7.1.3 Cycle network 7.1.4 Passenger transport network 7.1.5 Pedestrian network 7.1.6 Network-wide control and management 7.1.7 Road safety | Increased active mode share Road safety Reliable transport routes Reduced emissions | <ul style="list-style-type: none"> 54 road bridges (road and pedestrian) and 5 tunnels 2,397 walls, 450 bus shelters and 18,000 street lights 24.3km of cycle ways 858km of pedestrian paths, 680km of road pavements 132km of handrails, guardrails and sight rails 1500 hectares of road corridor land 21,500 signs and traffic signals Lincolnshire Farm link roads Cycleways | <p>With any transport system, the potential negative effects are significant. In particular, there are environmental costs, ranging from air and noise pollution to surface water runoff from roads that may carry contaminants (by-products of tyres, brakes and engines and deposition from exhaust gases) into the stormwater system. This environmental impact is linked to the number of vehicles on the road; however the dominant impact is the surrounding land uses, which direct stormwater run-off to the road. There are also potential negative effects from individual projects: for example, construction of any new road has effects on neighbours and neighbourhoods</p> <p>Dealing with these effects is complex. Some issues, such as vehicle emission standards, are properly dealt with at a national level. Others, such as air and water quality, are regional issues. Of those issues that can be dealt with at a local level, we seek to reduce the cause of the negative effects where possible. At present there are few statutory requirements for road controlling authorities to mitigate contaminants in road runoff before it is discharged to the receiving environment</p> <p>This Council does monitor the effects of stormwater run-off on aquatic receiving environments to ensure that adverse effects are avoided, remedied or mitigated</p> <p>Other potentially significant negative effects we must consider include:</p> <ul style="list-style-type: none"> The timing of road works and other improvements. These can impact on local businesses but may also affect growth opportunities. Our transport planning is designed to minimise the impact and focus our work in growth areas Safety. The transport network brings pedestrians, cyclists and vehicles together. This |

| | | | |
|-------------------------------------|--|--|---|
| | | | presents hazards to users. We've developed road safety programmes and design solutions to reduce the likelihood and severity of accidents |
| 7.2 Parking 7.2.1 Parking | Enabling people to shop, work and access recreation activities | <ul style="list-style-type: none"> 12,000 on-street parking spaces, 3,400 of which are in the CBD Street spaces for taxis, couriers, people with disabilities, bus stops & diplomatic services Managing off-street parking at Clifton Terrace, the Michael Fowler Centre and beneath Civic Square | |

TRANSPORT – PERFORMANCE MEASURES

| TRANSPORT | | | | |
|---|--|------------------|------------------|------------------|
| Objectives | Increased active mode share Road safety Reliable transport routes Reduced emissions | | | |
| Outcome Indicators | Residents' perceptions that peak traffic volumes are acceptable Residents' perceptions that the transport system allows easy access to the city Residents' perceptions of quality and affordability of public transport services Air quality monitoring (i.e. Nitrogen dioxide, carbon monoxide, and particulate matter peaks) Change from previous year in the number of road crashes resulting in fatalities and serious injury.* Social cost of crashes Residents perceptions of transport related safety issues (i.e. Issues of most concern) Number of cyclists and pedestrians entering the CBD (weekdays) Residents (%) who agree the transport system allows easy movement around the city - vehicle users and pedestrians | | | |
| 7.1 Transport | | | | |
| 7.1.1 Transport planning | | | | |
| 7.1.2 Vehicle network | | | | |
| 7.1.3 Cycle network | | | | |
| 7.1.4 Passenger transport network | | | | |
| 7.1.5 Pedestrian network | | | | |
| 7.1.6 Network-wide control and management | | | | |
| 7.1.7 Road safety | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality and timeliness of the transport infrastructure and service | Residents condition (%) rating of the network - roads and footpaths (good or very good) | Roads: 75% | Roads : 75% | Roads: 75% |
| | Requests for service response rate - urgent (within 2 hours) and non-urgent (within 15 days)* | Footpaths: 75% | Footpaths: 75% | Footpaths: 75% |
| | | Urgent: 100% | Urgent: 100% | Urgent: 100% |
| | | non-urgent: 100% | non-urgent: 100% | non-urgent: 100% |
| | | | | |
| | Roads (%) which meet smooth roads standards (smooth roads - measured by Smooth Travel Exposure based on NAASRA counts)* | 70% | 70% | 70% |
| | Footpath (%) condition rating (measured against WCC condition standards)* | 97% | 97% | 97% |
| | Street lighting (%) for major roads (arterial, principal and collector roads) meets national standards) | 100% | 100% | 100% |

| | Residents' satisfaction (%) with street lighting in the central city and suburban areas Sea wall and retaining wall condition rating - walls (%) rated 3 or better (1 very good, 5 very bad) Percentage of the sealed local road network that is resurfaced* *DIA Mandatory measure | Central: 85% Suburbs:75% 90% 10% | Central: 85% Suburbs:75% 90% 10% | Central: 85% Suburbs:75% 90% 10% |
|---|--|---|---|---|
| 7.2 Parking | | | | |
| 7.2.1 Parking | | | | |
| PURPOSE OF MEASURE | PERFORMANCE MEASURE | 2016/17 | 2017/18 | 2018-25 |
| To measure the quality of our parking provision | On-street car park turn-over rates - weekdays and weekends | Week: 6.8 Weekend:5.2 | Week: 6.8 Weekend:5.2 | Week: 6.8 Weekend:5.2 |
| | On-street car park average occupancy | 75% | 75% | 75% |
| | On-street car park compliance - time restrictions and payment | Time: 95% Payment: 90% | Time: 95% Payment: 90% | Time: 95% Payment: 90% |
| | Residents' perceptions (%) that parking enforcement is fair | Increase from previous year | Increase from previous year | Increase from previous year |

TRANSPORT – ACTIVITY BUDGET

| 7.1 TRANSPORT | 2015/16 LTP GROSS EXPENDITURE | 2016/17 ANNUAL PLAN GROSS EXPENDITURE |
|---|---|---|
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 7.1.1 - Transport planning | 1,144 | 2,651 |
| 7.1.2 - Vehicle network | 22,645 | 24,101 |
| 7.1.3 - Cycle network | 1,660 | 1,376 |
| 7.1.4 - Passenger transport network | 1,720 | 2,450 |
| 7.1.5 - Pedestrian network | 6,548 | 7,061 |
| 7.1.6 - Network-wide control and management | 6,799 | 7,525 |
| 7.1.7 - Road safety | 6,095 | 6,353 |
| Total operating expenditure | 46,612 | 51,517 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 7.1.1 - Transport planning | - | - |

| | | |
|---|---------------|---------------|
| 7.1.2 - Vehicle network | 23,017 | 21,558 |
| 7.1.3 - Cycle network | 5,673 | 7,522 |
| 7.1.4 - Passenger transport network | 145 | 888 |
| 7.1.5 - Pedestrian network | 4,583 | 4,671 |
| 7.1.6 - Network-wide control and management | 2,804 | 2,380 |
| 7.1.7 - Road safety | 2,352 | 3,538 |
| Total capital expenditure | 38,573 | 40,557 |

| 7.2 PARKING | 2015/16 LTP | 2016/17 ANNUAL PLAN |
|------------------------------------|--------------------------|--------------------------------|
| | GROSS EXPENDITURE | GROSS EXPENDITURE |
| OPERATING EXPENDITURE | (\$000) | (\$000) |
| 7.2.1 - Parking | 13,404 | 13,925 |
| Total operating expenditure | 13,404 | 13,925 |
| CAPITAL EXPENDITURE | (\$000) | (\$000) |
| 7.2.1 - Parking | 1,449 | 496 |
| Total capital expenditure | 1,449 | 496 |

8. Council Controlled Organisations

In order to achieve our objectives for Wellington we have established several companies and trusts. These organisations were set up to independently manage Council facilities, or to deliver significant services and undertake developments on behalf of the Wellington community. The following table explains what these organisations do and how their performance is measured.



WELLINGTON REGIONAL STADIUM TRUST

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|---|--|--|--|
| <p>All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC)</p> <p>As at 1 January 2016, they are John Shewan (Chair), Therese Walsh, Councillor Nigel Wilson (GWRC), Susan Elliott, Steven Fyfe, Mark McGuinness, Rachel Taulelei and Councillor Simon Marsh (WCC)</p> <p>The Chief Executive is Shane Harmon</p> | <p>The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high-quality multi-purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors and event and fixture organisers</p> | <p>Operates the Stadium</p> <p>Manages the event programme and seeks opportunities to provide regular quality events</p> <p>Ensures the Stadium is provided to the community for appropriate usage</p> <p>Administers the Trust assets and the Stadium on a prudent commercial basis</p> | <p>Number of events</p> <p>Total revenue</p> <p>Event revenue</p> <p>Net surplus</p> |

Note: the Wellington Regional Stadium Trust is not formally defined as a Council Controlled Organisation. This plan for their activities is presented to recognise the interest that Wellington city ratepayers have in the Trust and its activities



WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|---|---|--|---|
| <p>WREDA is the new regional economic development agency for the region, combining the economic development activities of Wellington City Council and the Greater Wellington Regional Council into one organisation</p> <p>The Wellington City Council is an 80% shareholder, and the Greater Wellington Regional Council is a 20% shareholder</p> <p>As at 1 January 2016, the board members are Peter Biggs (Chair), Helen Anderson, Matt Clarke, Sarah Gibbs, Prof. Grant Guilford, Richard Lavery, Paul Mersi, Thomas Pippas, Dave Gibson and Lorraine Witten</p> <p>The Chief Executive is Chris Whelan</p> | <p>WREDA is a new economic development agency that brings together the region's economic development agency (Grow Wellington) with existing city tourism (Positively Wellington Tourism) and venues (Positively Wellington Venues) agencies, and the Wellington City Council's major events activities</p> <p>The benefits to the region of a single agency include: one voice, clearer focus, better use of resources, and improved scale and capacity</p> | <p>WREDA combines the activities and functions of four business units, previously located within, and supported by, the Wellington City Council and the Greater Wellington Regional Council – Grow Wellington (the region's economic development agency) and its subsidiary, Creative HQ; Positively Wellington Tourism; and Positively Wellington Venues. WCC's Major Events unit will transfer to WREDA in 2016/17</p> | <p>As set out in their SOI and including:</p> <ul style="list-style-type: none"> Major events over the entire portfolio will achieve an economic benefit for every dollar invested Maintain Wellington's Convention and Incentive market share (of the multi-day conference market) within the NZ market Number of direct Australian visitor arrivals will exceed 2015/16 levels Increase the number of international students studying in Wellington |



WELLINGTON MUSEUMS TRUST

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|---|--|---|---|
| <p>All trustees are appointed by the Council</p> <p>As at 1 January 2016, they are Jackie Lloyd (Chair), Councillor Nicola Young, Jane Wrightson, Rachel Farrant, and Jill Wilson</p> <p>The Chief Executive is Pat Stuart</p> | <p>The Wellington Museums Trust (WMT) was established in 1995 to promote and manage the City Gallery Wellington, the Museum of Wellington City & Sea, the Colonial Cottage, Capital E, the Wellington Cable Car Museum, and the Carter Observatory</p> <p>WMT manages its facilities, establishes exhibition programmes and education policies for its facilities, and develops acquisition, deaccession and collection development policies for its collections and artefacts</p> | <ul style="list-style-type: none"> • Deliver high quality experiences, events and exhibitions at its facilities • Manage conservation and care for the objects of its collections, and conduct research and development to enhance visitors' experiences • Offer quality education experiences to children and young people • Promote and protect the heritage of venues • Work with national and international artists and collectors | <p>Attendance:</p> <ul style="list-style-type: none"> • City Gallery • Capital E • Museum of Wellington • Cable Car Museum • Space Place • Subsidy per visitor • Revenue per visitor • Total ownership cost to Council • Percentage of visitors who rate the quality of their experience as good or very good • Percentage of visitors that are repeat visitors |



WELLINGTON CABLE CAR LIMITED

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|---|--|---|---|
| <p>The Council is the 100% shareholder in this company and appoints all of the directors</p> <p>As at 1 January 2016, they are Anthony Wilson and Andy Matthews</p> <p>The Chief Executive is Simon Fleisher</p> | <p>Wellington Cable Car Limited owns and operates the Cable Car</p> <p>It also owns and maintains the overhead wiring system for the trolley bus passenger network which services the city</p> | <ul style="list-style-type: none"> • Maintain the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the New Zealand Transport Agency • Market and manage the cable car passenger service operation • Manage the contract for the inspection, maintenance and repair of the trolley bus overhead wiring system | <ul style="list-style-type: none"> • Cable car passenger numbers • Cable car service reliability • Percentage of users who rate the standard and operational reliability of the Cable Car as good or very good |



WELLINGTON WATER LIMITED

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|--|---|---|---|
| <p>Wellington Water was established in September 2014 and was formed by the merger of Greater Wellington Regional Council's water supply group with Capacity Infrastructure Services, which was owned by Hutt, Porirua, Upper Hutt and Wellington city councils. The five local authorities are joint and equal owners of Wellington Water</p> <p>Each council owns its respective water, storm water and waste water assets and determines the level and standard of services to be provided to its customers and ratepayers</p> <p>As at 1 January 2016, the Directors are John Strahl (Chair), Nicki Crauford, Cynthia Brophy, David Wright and David Benham</p> <p>The Chief Executive is Colin Crampton</p> | <p>To manage the provision of water services (water supply, storm water and wastewater) to the residents and businesses in the areas served by its customers</p> <p>Wellington Water's customers are Wellington City Council, Hutt City Council, Porirua City Council and Upper Hutt City Council</p> | <p>Provide high quality, safe and environmentally sustainable services to shareholding councils and other customers with a focus on contracted service delivery for the operation, maintenance and on-going development of drinking water, storm water and waste water assets and services, and asset management planning</p> | <ul style="list-style-type: none"> • Provide a reliable water supply, wastewater and storm water management service. • Deliver budgeted capital expenditure projects for its shareholding councils. • Deliver budgeted operating and maintenance activities for its shareholding councils. • Comply with relevant standards, legislation and resource consents. |



WELLINGTON ZOO TRUST

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|--|---|--|---|
| <p>The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council</p> <p>As at 1 January 2016, they are Craig Ellison (Chair), Frances Russell, Linda Meade, Raewyn Bleakley and Councillor Sarah Free</p> <p>The Chief Executive is Karen Fifield</p> | <p>The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations</p> | <ul style="list-style-type: none"> • Cares for resident animals and manages the animal collection. • Provides a high-quality visitor experience • Participates in captive management breeding and breed-for-release programmes. • Develops and maintains high quality animal exhibits. • Delivers educational material and learning experiences. • Contributes to zoological, conservation and facilities management research projects | <ul style="list-style-type: none"> • Number of visitors • Conservation Programme Managed Species (% of total collection) • Average WCC subsidy per visitor • Total ownership cost to Council • Average income per visitor • Ratio of generated Trust income as % of WCC grant |



BASIN RESERVE TRUST

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|---|---|---|---|
| <p>There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington</p> <p>As at 1 January 2016, the two trustees appointed by the Council are Councillor Paul Eagle and Sir John Anderson (Chair). The two trustees appointed by Cricket Wellington are Michael Horsley and John Greenwood</p> <p>The Chief Executive is Peter Clinton</p> | <p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington</p> | <ul style="list-style-type: none"> • Manages the Basin Reserve for recreational activities and the playing of cricket for the residents of Wellington • Contributes to the events programme for Wellington • Operates as a successful not-for-profit undertaking • Preserves and enhances the heritage value of the Basin Reserve | <p>Number of events</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community <p>Number of event days</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community <p>Attendance figures</p> |

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

**LAMBTON HARBOUR MANAGEMENT LIMITED (TRADING AS
WELLINGTON WATERFRONT LIMITED)**

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE INDICATORS |
|--|---|---|---|
| <p>The Council is the 100% shareholder in this company and appoints all of the directors</p> <p>As at 1 January 2016, they are council officers Kevin Lavery (chair), Derek Fry, Andy Matthews and Greg Orchard</p> <p>The external Board of Wellington Waterfront Limited was disestablished on 1 April 2014</p> | <p>Wellington Waterfront Limited holds the assets of the Wellington Waterfront project (as defined in the Wellington Harbour Board and Wellington City Council Vesting and Empowering Act 1987) as bare Trustee for the Council</p> | <p>Wellington Waterfront Limited functions as a holding company for Waterfront assets</p> | <p>Not Applicable</p> <p>The day to day operations formerly delivered by Wellington Waterfront Limited were transferred to the Council with the activities for each year detailed within the annual Waterfront Development Plan</p> |

Wellington Waterfront Development Plan – 3 years (2015/16–2017/18)

Context

The Waterfront Development Plan (WDP) outlines the Council's work programme to implement the objectives of the Wellington Waterfront Framework (2001)¹. The WDP is required by the Framework and is the way the Council develops the work plan for the waterfront and approves funding for the waterfront project.

The Framework requires transparency and a willingness to engage with the public about how the waterfront is developed. A balance must be set between making good progress on the waterfront and providing the public with sufficient opportunity to be involved. By consulting on the draft WDP (alongside the draft LTP) the Council obtains community feedback and views on its plans for the waterfront and associated funding. Depending on the project, there will be further opportunity for consultation and obtaining feedback and views prior to the Council making final decisions on whether a particular project will proceed. In addition most applications for resource consent are publicly notified so that provides a further opportunity for public engagement and input.

This WDP covers the three-year period from 1 July 2015. This is the first annual review of the current three year plan.

What is planned for years 2 and 3 of the current 3-year plan

There are many proposed and on-going projects, all with different complexities, and in some cases, the potential to be interrelated. Some work needs to be done sequentially because of physical requirements to maintain the waterfront experience as much as possible during construction or to coincide with neighbouring development activities. There may sometimes be financial implications that justify undertaking one piece of work before another. Further, sufficient

¹ The principles and objectives of the Wellington Waterfront Framework were reviewed by Council in 2011 and endorsed as still being a relevant and appropriate blueprint for the future of the waterfront.

flexibility must be built in to respond to good ideas or proposals in a timely manner, should they arise.

The following **key projects** are planned for years 2 and 3 of the current plan.

The Promenade: Development of the promenade as the spine that connects the waterfront is on-going. The proposed redevelopment of the north Kumutoto public space which will coincide with the proposed redevelopment of site 10 will not only significantly improve the promenade for pedestrians and cyclists but also improve connectivity with CentrePort and the stadium to the north.

Subject to resource consent for the Site 10 building and adjacent public space including the promenade being obtained, works will commence in 2016/17 and will be completed in 2017/18.

Refer to North Kumutoto below for further detail, including budget amounts.

Seawall and Wharf Maintenance: Many of the waterfront's wharves are timber structures that are over 100 years old and require periodic maintenance to ensure they are kept to a satisfactory standard to provide sufficient levels of service appropriate to their use.

Seawalls are also critical assets and many of which date back to the early 1900's are heritage listed as important links with Wellington's past. The redevelopment of public space on the waterfront often provides the opportunity to undertake remedial work identified in periodic condition surveys these assets.

Further maintenance of these essential elements of the waterfront is planned for each year of the current triennium as follows:-

| Capex Budget (\$000) | 2016/17 | 2017/18 |
|----------------------|---------|---------|
| | \$ 829 | \$1,579 |

Taranaki Street Wharf Precinct: The start of construction of a public toilet and change facility to complement the popular jump platform has been delayed to the first two months of the 2016/17 financial year. The previously proposed scope of work has been reduced and the resulting \$300,000 budget saving has been re-allocated to the inclusion of a new kiosk and toilet

facility in the southern end of TSB Arena to service the adjacent Frank Kitts Park children's play area. Work is programmed to be undertaken in Quarter 1 of the 2016/17 financial year.

| | | |
|-----------------------|---------|---------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$ 100 | \$ 0 |

Frank Kitts Park Precinct: Successive Waterfront Development Plans, since 2007, have signalled the proposed redevelopment of Frank Kitts Park.

The Council approved the Garden of Beneficence design for the proposed redevelopment of Frank Kitts Park in December 2007. The design included redevelopment of the children's playground, the lawn and construction of the Chinese Garden, subject to the Wellington Chinese Garden Society (WCGS) meeting the costs of the Chinese Garden and Council costs being met from commercial proceeds. The project did not progress for many years due to the global financial crisis and delays in the WCGS's fundraising.

The plan is to implement the agreed Garden of Beneficence concept design which anticipates redevelopment of Frank Kitts Park in three parts – the Chinese Garden, the main Lawn and the Children's Playground. Further development of the design of the Garden of Beneficence will follow confirmation of funding.

Chinese Garden

The Wellington Chinese Garden Society and sister cities Beijing and Xiamen are funding the Chinese garden element of the project.

Children's Playground

Revision of the children's playground design was referred to user group consultation and feedback in mid-2014 and wider public consultation on the WDP in 2015. The resulting suggested improvements will be incorporated at the detailed design stage.

The Lawn

Further consideration will be given to the central main lawn area ensuring appropriate integration with the playground and Chinese garden, including spaces that are protected from weather elements to optimise casual lunchtime use as well as suitable events space.

An application for resource consent for the redevelopment of Frank Kitts Park was lodged in May 2016 and is subject to public notification until 1 July 2016. A resource consent is expected to be granted in September 2016 and subject to confirmation of external funding of the Chinese Garden construction is intended to commence in April 2017 and take 12 months to complete. Capex sums and timing are as follows:-

| | | |
|-----------------------|---------|----------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$1,000 | \$ 4,300 |

Queens Wharf Precinct: Master planning for this area was completed and presented to the Council in 2011. With the exception of conversion of Shed 6 to the temporary convention centre, nothing has been progressed in the intervening period. The external refurbishment of Shed 6 and TSB Arena previously planned to be fully complete in the 2015/16 financial year will now not be fully complete until Quarter 1 of the 2016/17 financial year.

| | | |
|-----------------------|----------|---------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$ 1,100 | \$ 0 |

Following public consultation in early 2015 on a proposal to develop a commercial helicopter facility on the southern end of the outer-T along the lines of that proposed in the 2009 Blue Skies Ideas Competition, Council's preliminary investigations indicate that costs of the required wharf strengthening will make the financial viability of this proposal challenging.

Kumutoto Precinct: Willis Bond and Co confirmed the development and lease agreement for Site 10 unconditional in May 2016 and following completion of subdivision, issuing of a new title and Willis Bond payment of deposit, the site was handed over to Willis Bond and its building contractor LT McGuinness for commencement of construction in June 2016.

Council and its public space designer are advancing the developed design for the north Kumutoto public space prior to lodging an application for building consent and expected start of public space redevelopment work in late 2016.

Willis Bond and Co and the Council intend to complete the development of the building and north Kumutoto public space by mid-2018.

| | | |
|-----------------------|---------|---------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$1,600 | \$3,000 |

Motorhome Park: The proposed relocation of the Wellington Waterfront Motorhome Park to adjacent CentrePort owned land to enable redevelopment of Site 10 did not proceed as planned due to the higher than budgeted cost of the relocation, resulting in this project not being viable.

| | | |
|-----------------------|---------|---------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$ 0 | \$ 0 |

Other Capital Renewals and General Planning: An ongoing programme of repairs and maintenance, capital expenditure and renewals relating mainly to addressing seismic and resilience issues, public space lighting, bridge painting and historic wharf cranes repainting will be ongoing throughout the period in accordance with the Waterfront Operation's Asset Management Plan.

| | | |
|-----------------------|---------|---------|
| Capex Budget (\$000): | 2016/17 | 2017/18 |
| | \$ 300 | \$ 200 |

How we'll measure our performance

The overall success of the waterfront will be measured by the achievement of the principles and objectives outlined in the Waterfront Framework.

The framework has set seven objectives for the waterfront:

- The waterfront is locally and internationally recognised for its design.
- The waterfront is readily accessible to all people.
- The waterfront is and is perceived to be, safe at all times.
- The waterfront is seen as an attractive place that draws Wellingtonians and visitors alike.
- The waterfront successfully caters for a wide range of events and activities.

- Significant heritage buildings are protected on the waterfront.
- Activities on the waterfront are integrated with those on the harbour.

Annual surveys of public opinion consistently show satisfaction and approval ratings in excess of 90%. We will continue to strive to maintain and improve these ratings.

Design outcomes will continue to be monitored by the Council's Technical Advisory Group (TAG), an independent provider of design advice for the Council. Drawing on the architecture, landscape architecture and urban design expertise of its members, TAG ensures that the Framework principles have been applied consistently in the design of buildings and public spaces².

We will also continue to place increased emphasis on our place-making activities to create an even stronger sense of place through:-

- A diverse offering of activities and development
- Improved access along the waterfront and between the city and the harbour
- An evolving waterfront experience that is mindful of its historic past and its future
- A consultative process that encourages participation by interested and affected groups and individuals

² TAG was appointed by Council in 2001 to ensure that Council decisions comply with the Framework. TAG has specific advisory and recommendatory roles and functions and is also delegated decision-making on certain public space proposals.

Our Finances

Financial Overview

Your rates

For 2016/17, total rates are to increase by 4.8 percent before allowing for growth of 1.2 percent in our ratepayer base. After allowing for expected growth, our total rates are to increase by 3.6 percent.

Rates on the average residential property (valued at \$570,745) are expected to increase by 5.4 percent to \$2,317 (excluding GST) in 2016/17. An average rates increase of around 2.7 percent for commercial properties, including the impact of increases in metered water charges in 2016/17. These increases average to a 3.6 percent rates impact over all ratepayers, after growth in the ratepayer base has been taken into account.

| 2016/17 | Sector | |
|---------------------------------------|-------------|------------|
| | Residential | Commercial |
| Average Property Value | \$570,745 | |
| Average Rates | \$2,317 | |
| Average Rates increase (after growth) | 5.4% | 2.7% |

Explaining your rates

Our total rates revenue is split between general rates and targeted rates.

General rates are used to fund activities where the Council is unable to clearly identify a specific group of ratepayers who receive the benefit of that activity, or where it is not possible or suitable for that group to be targeted to pay. General rates are split over two categories: the base sector general rate (residential) and the commercial sector general rate. These are both levied based on a rate per-dollar of capital value. The Council has a general rates differential in place that decides how the general rate is shared between the residents and businesses in each category.

In 2016/17, the commercial sector general rate per dollar of capital value is to remain at 2.8 times the base sector general rate for a residential property of the same value.

Targeted rates are used to fund activities where the Council is able to clearly identify a specific group of ratepayers who receive the benefit of the activity, and where it is proper that this group be targeted to pay. The Council sets targeted rates to fund costs associated with the city's water, sewerage and stormwater systems. Separate targeted rates are also set for our base (residential) sector, commercial sector, downtown commercial sector, Marsden Village, Tawa driveways and business improvement district (BID) for the Miramar, Khandallah and Kilbirnie business districts.

Your total rates bill will be made up of the general and targeted rates that apply to your property.

Property valuations and rates distribution

The Council sets the total amount of rates required to fund its spending based on the budgeted costs. For the majority of its rates the Council then uses property valuations as the

basis to distribute the total rates requirement proportionally across all properties in Wellington.

The Council is on a 3-yearly valuation cycle and for the 2016/17 rating year the September 2015 valuations will be used to distribute the total rates requirement across all rateable properties.

It is important to note that your rates bill does not automatically change when your property value changes. Your rates bill will only be impacted by the change in your property's capital value relative to the change in the capital value for the entire city. The final rates bill for an individual property will depend on:

- the overall change in the Council's rates requirement
- any changes to the way we fund our activities (as set out in our Revenue and Financing Policy)
- any changes in the rates differential or uniform rates applying to that property
- the growth in the number or scale of rateable properties in the city (due to construction of new houses, apartments or business premises)
- the change in that property's capital value compared to the average change in the capital value for the entire city
- changes in the Council's remissions policy.

Changes to rates or rating mechanisms

A new targeted rate for the Kilbirnie Business Improvement District under the terms of the Business Improvement District Policy, for \$80,000 (excluding GST) to be applied to commercially rated properties in the Kilbirnie Business Improvement District area

Liability for this rate will be calculated as a fixed amount of \$500 (excluding GST) per rating unit, plus a rate per dollar of rateable capital value for any capital value over \$1 million per rating unit.

Funding our activities

When we're deciding how to fund an activity, we consider a wide range of factors including:

- who benefits (individuals, an identifiable part of the community)
- can the beneficiary be easily identified
- can the beneficiary be easily excluded from using the service for non-payment
- intergenerational equity (ie the period in or over which those benefits are expected to occur are when the rates impost is to be received)
- the 'polluter pays' principle (ie people should pay for negative effects they cause)
- fairness/equity of excluding people who cannot afford to pay
- transparency/accountability of a particular funding method
- overall impact on social, economic, cultural and environmental wellbeing.

Our Revenue and Financing Policy outlines how we propose to fund our activities. In 2016/17 we propose to make no changes to the policy.

User charges

For 2016/17, user charges are increasing in a number of areas. Our fees are set in accordance with our Revenue and Financing Policy. The areas where fees are changing are as follows:

- Burials and Cremation
- Trade Waste
- Landfill
- Swimming Pools
- Recreation Centres
- Public Health Regulations

Understanding the Council's budgeted surplus

The Council is forecasting a net operating surplus of \$12.8 million in 2016/17. The majority of this surplus arises from cash funding received for capital purposes (Crown grants for housing, development contributions, NZTA subsidies and bequests). This income flows through to the net operating surplus to be available to fund capital expenditure. Offsetting this are some depreciation costs on assets which we have resolved not to fund.

Borrowings

Total borrowings are forecast to be \$479.1 million at the end of 2016/17. Our forecast asset base totals \$7.2 billion in 2016/17.

Land sale

The Council only owns property assets that are necessary for public works or another purpose aligned to Council strategies. Property assets falling outside of this will be considered for sale or redeployed.

Reflected in the 2016/17 plan is \$2 million worth of property asset disposals, with proceeds being used to reduce Council borrowings. Every specific property asset sale will be publicly consulted upon as per the standard Council process.

Each year we review the underlying assumptions and costs that make up each activity. For each activity we consider the impact of a number of factors including:

- changes in direct costs
- updated forecasting assumptions (including changes to the forecast timing of projects)
- the suitability of forecast inflation and CPI adjustments
- changes in service levels – we will specifically consult with you on these
- changes affecting our opening position (e.g. updated borrowings forecasts).

This means the costs for each activity may differ from those we had originally forecast in the 2015–25 Long-term Plan.

Annual plan disclosure statement for year ending 30 June 2017

What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

| Benchmark | | Planned | Met |
|-------------------------------|---|----------|-----|
| Rates affordability benchmark | | | |
| • Income | Total rates collected | \$302.0m | Yes |
| • Increases | 4.5% after growth average rates increase over the first triennium | 3.6% | Yes |
| Debt affordability benchmark | Net closing debt over operating income | 175% | Yes |
| Balanced budget benchmark | 100% | 104% | Yes |
| Essential services benchmark | 100% | 135% | Yes |
| Debt servicing | 10% | 5.6% | Yes |

Notes:

1 Rates affordability benchmark

(1) For this benchmark,—

(a) the council's planned rates income for the year is compared with [a *quantified limit/quantified limits*] on rates contained in the financial strategy included in the council's long-term plan; and

(b) the council's planned rates increases for the year are compared with [a *quantified limit/quantified limits*] on rates increases for the year contained in the financial strategy included in the council's long-term plan.

(2) The council meets the rates affordability benchmark if—

(a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

(1) For this benchmark, the council's planned borrowing is compared with [a *quantified limit/quantified limits*] on borrowing contained in the financial strategy included in the council's long-term plan.

(2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

(1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

(2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

(1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

(2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

(1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

(2) Because Statistics New Zealand projects that the council's population will grow [as fast as, or faster than, /slower than] the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than [10%/15%] of its planned revenue.

2016/17 Annual Plan:

Fees and User Charges

The Revenue and Financing Policy guides our decisions on how to fund Council services. Under the policy, we take into account who benefits from a service (individuals, parts of the community, or the community as a whole) to help us determine how the service should be funded. The policy set targets for each Council activity, determining what proportion should be funded from each of user charges, general rates, targeted rates and other sources of income.

In line with that policy, we have made some changes to fees and charges in the following areas:

- Burials and Cremation
- Trade Waste
- Landfill
- Swimming Pools
- Recreation Centres
- Public Health Regulations

New Food Act fees and fee structure have been incorporated through Public Health Regulations, with the introduction of the Food Act 2014 which passed into law in June 2014.

New fees will be implemented as of 1 July 2016 and are inclusive of GST. For more information see www.Wellington.co.nz

Burials and cremation

Listed below are the increases to some of our fees for burials and cremations.

| Burials and Cremation Fees | 2015/16 Fee | 2016/17 Fee |
|------------------------------------|-------------|-------------|
| Adult Plot: Plaque Lawn Beam fee | \$158.00 | \$166.00 |
| Children's Section Beam fee | \$158.00 | \$166.00 |
| Denominational Areas Beam fee | \$158.00 | \$166.00 |
| Ash Plots Beam fee | \$158.00 | \$166.00 |
| Extras – Concrete stand large | \$80.00 | \$85.00 |
| Miscellaneous – Wooden adult urns | \$68.00 | \$78.00 |
| Miscellaneous – Wooden infant urns | \$32.00 | \$40.00 |
| | | |

Trade Waste

Listed below are the increases to our fees for trade waste.

| Conveyance and Transport of Trade Waste | 2015/16 Fee | 2016/17 Fee |
|---|-------------|-------------|
| Volume | | |
| Up to 100m3/day | \$0.28/m3 | \$0.29/m3 |

| Conveyance and Transport of Trade Waste | 2015/16 Fee | 2016/17 Fee |
|--|-----------------------|-----------------------|
| Between 100m ³ /day and 7000m ³ /day | \$0.13/m ³ | \$0.13/m ³ |
| Above 7000m ³ /day | \$0.89/m ³ | \$0.91/m ³ |
| | | |
| B.O.D (Biochemical Oxygen Demand) | | |
| Up to 3150kg/day | \$0.30/m ³ | \$0.31/m ³ |
| Above 3150kg/day | \$0.68/m ³ | \$0.69/m ³ |
| | | |
| Suspended Solids | | |
| Up to 1575kg/day | \$0.29/m ³ | \$0.30/m ³ |
| Above 1575kg/day | \$0.55/m ³ | \$0.56/m ³ |

Landfill

Listed below are the increases to our fees for the landfill.

| Landfill Fees | 2015/16 Fee | 2016/17 Fee |
|--|--------------------|--------------------|
| Green Waste Disposal (per tonne) | \$56.40 | \$58.10 |
| General Waste Disposal (Domestic) – per tonne | \$121.80 | \$158.00 |
| General Waste Disposal (Domestic) – minimum charge | \$8.00 | \$10.00 |

Swimming Pools

Listed below are the increases to some of our fees for swimming pools. For a full listing of all fees, see <http://wellington.govt.nz/recreation/get-active-indoors>.

| Pool and Programme Fees – General POS | 2015/16 Fee | 2016/17 Fee |
|--|--------------------|--------------------|
| Adult Swim | \$5.90 | \$6.00 |
| Adult 10 concession card | \$48.80 | \$54.00 |
| Adult 20 concession card | \$97.60 | \$108.00 |
| Adult 30 concession card | \$146.00 | \$162.00 |
| Child Swim | \$3.60 | \$3.70 |
| Child 10 concession card | \$29.90 | \$33.30 |
| Child 20 concession card | \$59.80 | \$66.60 |
| Child 30 concession card | \$89.70 | \$99.90 |
| Leisure Card Child Swim | \$1.70 | \$1.90 |
| Child Swim & Spa | \$4.70 | \$4.90 |
| CP Child Spa 10 Concession | \$22.50 | \$23.40 |
| CP Leisure Card Sauna | \$2.40 | \$2.50 |
| CP Leisure Card Sauna/Spa 10 trip | \$24.00 | \$25.00 |
| CP Leisure Card Spa | \$2.40 | \$2.50 |
| CP Sauna | \$4.80 | \$5.00 |
| CP Sauna & Swim | \$7.00 | \$7.20 |
| CP Spa | \$4.80 | \$5.00 |
| CP Spa 10 Concession | \$43.20 | \$45.00 |
| CP Spa Child | \$2.50 | \$2.60 |
| CP Swim & Spa | \$7.00 | \$7.20 |
| Sauna/Spa 10 Concession | \$43.20 | \$45.00 |
| Spa Top-up | \$1.10 | \$1.20 |
| Spa Under 5 | \$1.20 | - |
| Spectator child swim meet 10 - 16 years | \$2.00 | \$2.10 |
| Spectator Swim Meet | \$2.00 | \$2.10 |
| Shower | \$2.30 | \$2.50 |
| Freyberg Hotspot | \$15.00 | \$15.50 |

| Pool and Programme Fees – General POS | 2015/16 Fee | 2016/17 Fee |
|--|--------------------|--------------------|
| Freyberg Hotspot 10 concession | \$43.20 | \$45.00 |
| Freyberg Nutrition Workshop - Member | \$10.00 | \$10.50 |
| Freyberg Nutrition Workshop - Non Member | \$20.00 | \$20.50 |
| Leisure Card Steamroom | \$2.40 | \$2.50 |
| Karori Ocean Swim | \$11.00 | \$11.50 |
| Khandallah Adult | \$3.00 | \$3.10 |
| Khandallah Child | \$1.50 | \$1.60 |
| KSP Ocean Swim | \$11.00 | \$11.50 |
| Tawa - Adult Offpeak Swim | \$3.00 | \$3.10 |
| Tawa - Child Swim (August deal) | \$3.00 | \$3.10 |
| Tawa Toddler Day | \$1.20 | - |
| Tawa WeetbixTRY Training | \$3.60 | \$3.70 |
| WRAC Club Active Class | \$10.70 | \$11.00 |
| WRAC Club Active Class Leisurecard | \$5.40 | \$5.50 |
| WRAC Spa Exclusive Access (30min) in addition to entry fee | | \$6.00 |
| WRAC Spa/Sauna/Swim Adult (Hotspot) | | \$8.80 |
| WRAC Spa/Sauna/Swim Adult (Hotspot) 10 pass | | \$79.20 |
| WRAC Spa/Sauna/Swim Adult (Hotspot) 10 pass LC | | \$39.60 |
| WRAC Spa/Sauna/Swim Adult (Hotspot) LC | | \$4.40 |
| WRAC Spa/Sauna/Swim Child (Hotspot) | | \$4.40 |
| WRAC Spa/Sauna/Swim Child (Hotspot) 10 pass | | \$39.60 |
| 25m Lane Hire 1hr Commercial | \$16.00 | \$16.50 |
| 25m Lane Hire 1hr Non Commercial | \$8.00 | \$8.20 |
| 50m Lane Hire 1hr Commercial | \$32.00 | \$33.00 |
| 50m Lane Hire 1hr Non Commercial | \$16.00 | \$16.40 |
| Aquafitness | \$10.70 | \$11.00 |
| Aquafitness 10 session | \$96.30 | \$99.00 |
| Aquafitness Leisure Card | \$5.40 | \$5.50 |
| Aquafitness Leisure Card 10 concession | \$54.00 | \$55.00 |
| BBQ Hire | \$26.50 | \$27.00 |
| Bike Only | \$3.00 | \$3.10 |
| Coffee - Tawa Pool | \$3.00 | \$3.10 |
| Diving Comp | \$5.00 | \$5.20 |
| Diving Competition | \$5.00 | \$5.20 |
| Diving Family | \$10.00 | \$10.20 |
| Diving Spec Adult | \$5.00 | \$5.20 |
| Diving Spec Child | \$2.00 | \$2.10 |
| Duathlon | \$10.00 | \$10.20 |
| Extension Course | \$25.60 | \$26.00 |
| F/C Mat hire | \$2.00 | \$2.10 |
| F/C small group booking | \$100.00 | \$102.00 |
| Family Pass | \$15.40 | \$15.90 |
| Fat Blast Fitness Centre | \$20.00 | \$20.50 |
| Flippaball | \$3.60 | \$3.70 |
| Flippaball Comp entry | \$59.00 | \$60.00 |
| Funk Party | \$5.90 | \$6.00 |
| LTS Karori Swim Meet | \$8.00 | \$8.20 |
| LTS KSP Swim Meet | \$5.50 | \$5.70 |
| LTS Tawa Swim Meet | \$5.50 | \$5.70 |
| Mah jong | \$1.60 | \$1.70 |
| Police Test | \$17.00 | \$20.00 |

| Pool and Programme Fees – General POS | 2015/16 Fee | 2016/17 Fee |
|--|--------------------|--------------------|
| Programme Finals | \$2.50 | \$2.60 |
| Programme heats sessions | \$10.00 | \$10.20 |
| Recreation Evening \$5.00 | \$5.00 | \$5.20 |
| Replacement Card \$5.40 | \$5.40 | \$5.50 |
| Replacement Card Coaches | \$16.00 | \$16.50 |
| School Swim | \$1.20 | \$1.30 |
| School Zones | \$1.10 | \$1.20 |
| Seniors Week - Aqua Therapy KSP | \$2.00 | \$2.10 |
| Speed Zone | \$15.00 | \$15.50 |
| Spin - 10 Trip | \$112.50 | \$115.00 |
| Spin - Casual | \$12.50 | \$13.00 |
| Spin - Member | \$2.00 | \$2.10 |
| Spin 10x member card | \$20.00 | \$20.50 |
| Starts and Turns Clinic (LTS) | \$10.00 | \$10.20 |
| Steamroom | \$4.80 | \$5.00 |
| Swim Meet programme session | \$2.00 | \$2.10 |
| Swim meet all heats sessions programme | \$8.00 | \$8.20 |
| Swim Meet Programme Karori Meet | \$2.00 | \$2.10 |
| Swim Under 5 yrs – Entrance Fee | \$1.20 | - |
| Tama Ora - Aquafit | \$5.40 | \$5.50 |
| Tama Ora - Swim | \$3.00 | \$3.10 |
| Weet-bix Tri | \$10.00 | \$10.20 |

| Pool Fees – Rental Fees | 2015/16 Fee | 2016/17 Fee |
|---|--------------------|--------------------|
| Pools - BBQ | \$26.50 | \$27.00 |
| Freyberg - Aerobics Room - Commercial | \$41.80 | \$42.60 |
| Freyberg - Aerobics Room - NC | \$20.90 | \$21.30 |
| Pool - whole (excl WRAC) | \$83.50 | \$85.20 |
| Pool - whole (excl WRAC) - Commercial | \$167.00 | \$170.40 |
| Pool Hire 30 metre set up | \$72.00 | \$73.50 |
| Pool Hire 30 metre set up - Commercial | \$144.00 | \$147.00 |
| Pool Hire 50 metre - Commercial | \$240.00 | \$367.20 |
| Pool Hire 50 metre Pool | \$120.00 | \$183.60 |
| Pools - Group Fitness Room | \$28.00 | \$30.00 |
| Pools - Group Fitness Room - Commercial | \$56.00 | \$60.00 |
| Pools - Hourly Massage room | \$10.00 | \$11.00 |
| Pools - Kayak | \$34.70 | \$35.40 |
| Pools - Lane Hire 25m | \$8.00 | \$8.20 |
| Pools - Lane Hire 25m - Commercial | \$16.00 | \$16.40 |
| Pools - Lane Hire Thorndon | \$13.30 | \$13.60 |
| Pools - Massage room (4hr session) | \$40.00 | \$40.80 |
| Tawa Pool - whole (Tawa Pool only) | \$50.00 | \$51.00 |
| Tawa Pool - whole (Teaching pool only) | \$25.00 | \$25.50 |
| Trestle Tables | \$14.00 | \$15.00 |
| WRAC - Events office | \$10.00 | \$11.00 |
| WRAC - Lane Hire 50m | \$18.00 | \$18.50 |
| WRAC - Lane Hire 50m - Commercial | \$36.00 | \$37.00 |
| WRAC - Office | \$10.00 | \$11.00 |
| WRAC - Storeroom | \$10.00 | \$11.00 |

| Pool Fees – Other Rental Fees (non POS items) | 2015/16 Fee | 2016/17 Fee |
|--|--------------------|--------------------|
| Freyberg - Aqua Instructor charge | \$55.10 | \$56.20 |
| Freyberg - PST 1 child | \$6.80 | \$6.90 |
| Freyberg - PST 2 child | \$10.00 | \$10.20 |
| Freyberg - PST 3 child | \$13.40 | \$13.70 |
| Freyberg - Spa Pool Hire | \$104.00 | \$106.50 |
| Karori - Aquatic Activity Instructor | \$28.00 | \$30.50 |
| Karori - Inflatable | \$65.00 | \$66.50 |
| Karori - Schools Instructor | \$25.00 | \$25.50 |
| Khandallah - Adult Swim | \$3.00 | \$3.10 |
| Khandallah - Child Swim | \$1.50 | \$1.60 |
| KSP - Aquatic Activity Instructor | \$30.00 | \$30.50 |
| KSP - Flippaball registration fee | \$59.00 | \$60.20 |
| KSP - Schools Instructor | \$25.00 | \$25.50 |
| Sound System / Underwater speakers Full Day | \$160.00 | \$164.00 |
| Sound System 1/2 day | \$80.00 | \$82.00 |
| Tawa - Aquatic Activity Instructor | \$30.00 | \$30.50 |
| Tawa - Inflatable | \$60.00 | \$61.50 |
| Tawa - Schools Instructor | \$25.00 | \$25.50 |
| WRAC - Aqua Instructor charge | \$60.00 | \$61.50 |
| WRAC - Aquatic Activity Instructor | \$30.00 | \$30.50 |
| WRAC - Birthday Party Child | \$4.50 | \$4.70 |
| WRAC - Events Passes - Adult | \$5.50 | \$6.00 |
| WRAC - Events Passes - Child | \$2.50 | \$3.70 |
| WRAC - Fitness Class | \$10.60 | \$11.00 |
| WRAC - Inflatable | \$60.00 | \$80.00 |
| WRAC - Lifeguard non commercial | \$30.00 | \$45.00 |
| WRAC - Massage Space | \$33.10 | \$35.00 |
| WRAC - Police Swim Test | \$17.00 | \$18.00 |
| WRAC - Rugby Recovery | \$7.40 | \$7.60 |
| WRAC - Schools Instructor | \$25.00 | \$25.50 |
| WRAC - Scoreboard/BigScreen | \$120.00 | \$125.00 |
| WRAC - Showers | \$2.30 | \$2.50 |
| WRAC - Staff Hire | \$42.00 | \$45.00 |

| Pool Fees – Swim Memberships | 2015/16 Fee | 2016/17 Fee |
|-------------------------------------|--------------------|--------------------|
| Adult Monthly | \$59.25 | \$60.50 |
| Adult Yearly | \$710.45 | \$724.60 |
| Child Monthly | \$35.45 | \$36.20 |
| Child Yearly | \$426.30 | \$434.80 |
| Adult Monthly LC | \$29.63 | \$30.25 |
| Adult Yearly LC | \$355.23 | \$362.30 |
| Child Monthly LC | \$17.73 | \$18.10 |
| Child Yearly LC | \$213.15 | \$217.40 |
| Adult Monthly Swim Club | \$50.36 | \$51.40 |
| Adult Yearly Swim Club | \$603.88 | \$615.90 |
| Child Monthly Swim Club | \$30.13 | \$30.70 |
| Child Yearly Swim Club | \$362.36 | \$369.60 |

| Pool Fees – Aquatic Programme | 2015/16 Fee | 2016/17 Fee |
|--------------------------------------|--------------------|--------------------|
| Beg School age (Up to Adv 1) | \$13.50 | \$14.00 |

| Pool Fees – Aquatic Programme | 2015/16 Fee | 2016/17 Fee |
|---|--------------------|--------------------|
| Int School age (Adv 2-3) | \$14.50 | \$15.00 |
| Adv School age (Mini squad / sport fit) | \$15.00 | \$15.50 |

| Pool Fees – Other Programmes | 2015/16 Fee | 2016/17 Fee |
|-------------------------------------|--------------------|--------------------|
| Adult Swim | \$14.50 | \$15.00 |
| Adult Kayak | \$28.10 | \$28.70 |
| Adult Kayak WRAC | \$19.00 | \$19.40 |
| Child Diving KSP | \$15.10 | \$15.40 |
| Child Diving WRAC | \$15.50 | \$15.80 |
| Child Kayak | \$15.10 | \$15.40 |
| Child Snorkelling | \$15.10 | \$15.40 |
| Aquatic Club | \$15.10 | \$15.40 |
| Private lesson | \$60.00 | \$61.50 |
| Tai Chi | \$9.50 | \$9.70 |
| Multisport Adult | \$21.60 | \$22.00 |
| Multisport Child | \$16.20 | \$16.50 |
| CART | \$6.00 | \$6.10 |

Recreation Centres

Listed below are the increases to some of our fees for Recreation Centres. For a full listing of all fees, see <http://wellington.govt.nz/recreation/get-active-indoors>.

| Recreation Fees – Community Recreation Centres | 2015/16 Fee | 2016/17 Fee |
|---|-------------------------|-------------------------|
| Facility Court Hire - Off Peak | \$27.00 | \$30.00 |
| Facility Court Hire - Peak | \$48.00 | \$50.00 |
| Facility Court Hire - Kilbirnie Rec Peak (one off events) | \$58.50 | \$60.00 |
| Facility Court Hire - Kilbirnie Rec (Commerical) | \$100.00 | \$105.00 |
| Facility Room Hire-Rec Centre Meeting Room - Semi Comm | \$21.00 | \$25.00 |
| Facility Room Hire-Rec Centre Meeting Room - Non Comm | \$16.00 | \$18.00 |
| Casual Play – Adult | \$3.20 | \$3.50 |
| Casual Play – Child | \$1.60 | \$2.00 |
| Casual Play – Leisure Card | \$1.60 | \$1.80 |
| Badminton – Casual | \$1.80 | \$2.00 |
| Tinytown – Preschool | \$4.20 | \$4.50 |
| Tinytown – Leisure Card | \$2.10 | \$2.20 |
| Tinytown – Earlybird | \$6.70 | \$6.80 |
| Tinytown – Earlybird Leisure Card | \$5.30 | \$5.50 |
| Programmes | | |
| Active Fun Play / Gym Jam | \$4.50 | \$5.50 |
| Preschool 0-2 | \$7.00/\$8.50 Casual | \$7.00/\$9.50 Casual |
| 2 to 5 | \$7.00/\$8.50 Casual | \$7.00/\$9.50 Casual |
| School Age Programmes | \$8.50 | \$9.00 |
| Kilbirnie Rec Centre (skateboarding/rollerskate/rollerblade etc) | \$9.40 | \$10.50 |
| Kilbirnie Rec Centre LC (skateboarding/rollerskate/rollerblade etc) | \$7.50 | \$8.40 |
| Social Netball League (adult) | \$55.00 per week | \$60.00 per week |
| Miniball League | \$225.00 per | \$300.00 per |

| Recreation Fees – Community Recreation Centres | 2015/16 Fee | 2016/17 Fee |
|--|---|---|
| Basketball League | team/per term \$262.50 per team/per term | team/per term \$300.00 per team/per term |
| Parkour (Karori) | | \$12.50 |
| Ezy Movers | \$5.00 | \$5.50 |
| Holiday Programme | \$32.00/\$42.00 Casual | \$35.00/ \$45.00 or \$50.00 Casual |

| Recreation Fees – Indoor Community Sports Centre (ASB) | 2015/16 Fee | 2016/17 Fee |
|--|-------------|-------------|
| Facility Court Hire - Off Peak | \$37.00 | \$40.00 |
| Facility Court Hire - Peak | \$55.00 | \$60.00 |
| Facility Room Hire - Matairangi Room 1hr | \$40.00 | \$41.00 |
| Facility Room Hire - Ngake Room 1hr | \$20.00 | \$20.50 |
| Facility Room Hire – Ngake/Whataitai Room 1hr | \$40.00 | \$41.00 |
| Facility Room Hire - Whataitai Room 1hr | \$20.00 | \$20.50 |
| Casual Play – Adult | \$3.20 | \$3.50 |
| Casual Play – Child | \$1.60 | \$2.00 |
| Casual Play – Leisure Card | \$1.60 | \$1.80 |
| Badminton – Off Peak | \$9.00 | \$11.00 |
| Badminton –Peak | \$14.00 | \$16.00 |
| Volleyball – Off Peak | \$24.00 | \$24.50 |
| Volleyball –Peak | \$37.00 | \$38.00 |
| Table Tennis – Off Peak | \$9.00 | \$10.00 |
| Table Tennis –Peak | \$14.00 | \$16.00 |
| Programmes – Preschool 0-2 | \$6.00 | \$7.00 |
| Programmes – Preschool 2-5 | \$6.00 | \$7.50 |

Public Health Regulations

New fees and fee structure for Food Act fees under the new Food Act 2014 have been introduced and are listed below.

| Public Health Food Act 2014 Fees – Food Control Plan | Time Included | 2016/17 Fee |
|--|---------------|-------------|
| Registration | 1 hour | \$155.00 |
| Registration renewal/Re-register | half hour | \$77.50 |
| Amendment | | |
| Significant | 1 hour | \$155.00 |
| Minor | half hour | \$77.50 |
| Change of circumstances | half hour | \$77.50 |
| Voluntary suspension | half hour | \$77.50 |
| Verification | | |
| 1 st verification | 2.5 hours | \$387.50 |
| 2nd verification | 2.5 hours | \$387.50 |

| Public Health Food Act 2014 Fees – Food Control Plan | Time Included | 2016/17 Fee |
|--|---------------|-------------|
| Reduced verification | 1 hour | \$155.00 |
| Compliance | | |
| Notice | 1 hour | \$155.00 |
| Application for review | 1 hour | \$155.00 |
| Statement of compliance | half hour | \$77.50 |
| | | |
| Opening inspections | 1 hour | \$155.00 |
| Additional hours | per hour | \$155.00 |

| Public Health Food Act 2014 Fees – National Programme | Time Included | 2016/17 Fee |
|---|---------------|-------------|
| Registration | 1 hour | \$155.00 |
| Registration renewal/Re-register | half hour | \$77.50 |
| | | |
| Amendment | | |
| Change of circumstances | half hour | \$77.50 |
| | | |
| Voluntary suspension | half hour | \$77.50 |
| | | |
| Verification | | |
| 1 st verification | 1 hour | \$155.00 |
| 2nd verification | 1 hour | \$155.00 |
| | | |
| Compliance | | |
| Notice | 1 hour | \$155.00 |
| Application for review | 1 hour | \$155.00 |
| Statement of compliance | half hour | \$77.50 |
| | | |
| Opening inspections | 1 hour | \$155.00 |
| Additional hours | per hour | \$155.00 |

**FUNDING IMPACT STATEMENT
FOR WHOLE OF COUNCIL**

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|-----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 152,004 | 160,913 | 8,909 | |
| Targeted rates (other than a targeted rate for water supply) | 118,903 | 123,271 | 4,368 | |
| Subsidies and grants for operating purposes | 6,485 | 8,886 | 1,601 | |
| Fees and charges | 122,218 | 123,171 | 953 | |
| Interest and dividends from investments | 11,013 | 11,126 | 112 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 9,255 | 9,175 | (77) | |
| Total operating funding (A) | 419,878 | 435,744 | 15,866 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 280,484 | 291,814 | 11,430 | 1 |
| Finance costs | 22,961 | 25,817 | 2,656 | 1 |
| Internal charges and overheads applied | - | - | - | |
| Other operating funding applications | 35,850 | 43,047 | 7,197 | 1 |
| Total applications of operating funding (B) | 339,295 | 360,578 | 21,283 | |
| Surplus (deficit) of operating funding (A - B) | 80,583 | 75,166 | (5,417) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 36,026 | 37,950 | (3,076) | |
| Development and financial contributions | 2,000 | 2,000 | - | |
| Increase (decrease) in debt | 41,399 | 71,253 | 29,864 | 2 |
| Gross proceeds from sales of assets | 2,650 | 4,000 | 1,950 | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 82,075 | 110,813 | 28,738 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 2,597 | 1,922 | (675) | 3 |
| - to improve the level of service | 62,680 | 87,124 | 24,444 | 3 |
| - to replace existing assets | 93,169 | 91,706 | (1,433) | 3 |
| Increase (decrease) in reserves | 4,212 | 5,197 | 985 | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 162,658 | 185,979 | 23,321 | |
| Surplus (deficit) of capital funding (C - D) | (80,583) | (75,166) | 5,417 | |
| Funding balance ((A - B) + (C - D)) | - | - | 0 | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 102,165 | 101,975 | (190) | |

Notes:

1. Variances for these operating expenditure items can be found in the Funding Impact Statement for each activity over the following 18 pages.
2. Includes funding for proposed Movie Museum and proposed Convention Centre.
3. Variances for these capital expenditure items can be found in the Funding Impact Statement for each activity over the following 18 pages.

FUNDING IMPACT STATEMENT
1.1 FOR GOVERNANCE, INFORMATION AND ENGAGEMENT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 16,587 | 17,528 | 941 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 508 | 889 | 381 | 1 |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 17,095 | 18,417 | 1,322 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 9,713 | 11,170 | 1,457 | 2 |
| Finance costs | 18 | 16 | - | |
| Internal charges and overheads applied | 7,308 | 7,174 | (129) | |
| Other operating funding applications | 10 | 14 | - | |
| Total applications of operating funding (B) | 17,047 | 18,375 | 1,328 | |
| Surplus (deficit) of operating funding (A - B) | 48 | 42 | (6) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | (48) | 74 | 122 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | (48) | 74 | 122 | |
| Applications of capital funding | | | | |
| Capital expenditure | - | - | - | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | - | - | - | |
| - to replace existing assets | - | 116 | 116 | 3 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | - | 116 | 116 | |
| Surplus (deficit) of capital funding (C - D) | (48) | (42) | 6 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 48 | 42 | (6) | |

Notes:

1. Revenue cost recovery for elections conducted on behalf of other local authorities and boards, for example Greater Wellington Regional Council and the Capital and Coast District Health Board. Parking revenue collected by Service Centre now recognised in Activity 7.2.

2. Increase in contractor costs related to local body election year.

3. Cost related to election-specific software.

FUNDING IMPACT STATEMENT
1.2 FOR MAORI AND MANA WHENUA PARTNERSHIPS

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 281 | 295 | 14 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | - | - | - | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 281 | 295 | 14 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 267 | 267 | - | |
| Finance costs | 1 | 1 | - | |
| Internal charges and overheads applied | 11 | 15 | 4 | |
| Other operating funding applications | - | 10 | 10 | |
| Total applications of operating funding (B) | 279 | 293 | 14 | |
| Surplus (deficit) of operating funding (A - B) | 2 | 2 | - | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | (2) | (2) | - | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | (2) | (2) | - | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | - | - | - | |
| - to replace existing assets | - | - | - | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | - | - | - | |
| Surplus (deficit) of capital funding (C - D) | (2) | (2) | - | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 2 | 2 | - | |

FUNDING IMPACT STATEMENT
2.1 FOR GARDENS, BEACHES AND GREEN OPEN SPACES

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 30,360 | 33,822 | 3,462 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | 699 | 636 | (63) | |
| Fees and charges | 1,437 | 1,465 | 28 | |
| Internal charges and overheads recovered | 5,111 | 5,203 | 92 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 37,607 | 41,126 | 3,519 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 19,285 | 19,718 | 433 | 1 |
| Finance costs | 1,993 | 1,984 | (9) | |
| Internal charges and overheads applied | 12,281 | 12,410 | 129 | |
| Other operating funding applications | 120 | 198 | (20) | |
| Total applications of operating funding (B) | 33,679 | 34,212 | 533 | |
| Surplus (deficit) of operating funding (A - B) | 3,928 | 6,914 | 2,986 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 650 | - | (650) | 2 |
| Development and financial contributions | 183 | 183 | - | |
| Increase (decrease) in debt | (2,129) | (3,426) | (1,297) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | (1,296) | (3,243) | (1,947) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 70 | - | (70) | |
| - to improve the level of service | 1,121 | 1,059 | 838 | 3 |
| - to replace existing assets | 1,441 | 1,712 | 271 | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 2,632 | 3,671 | 1,039 | |
| Surplus (deficit) of capital funding (C - D) | (3,928) | (6,914) | (2,986) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 3,928 | 7,264 | 3,336 | |

Notes:

1. Increase due to additional funding for Our Natural Capital \$165k, Town Belt flora and fauna monitoring \$155k, and additional vegetation control costs \$240k.
2. No funding drawdown on Plimmer Bequest funding 2016/17 Annual Plan.
3. Funding added to support the Lyall Bay Foreshore Resilience Plan \$1m, including work on Surfers Corner carpark \$236k and pipe extensions and rock riprap at the western end of the beach \$594k.

FUNDING IMPACT STATEMENT
2.2 FOR WASTE REDUCTION AND ENERGY CONSERVATION

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 764 | 778 | 14 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 12,876 | 13,320 | 444 | 1 |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 13,640 | 14,098 | 458 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 12,126 | 12,492 | 366 | 2 |
| Finance costs | 877 | 751 | (126) | |
| Internal charges and overheads applied | 56 | 78 | 22 | |
| Other operating funding applications | 255 | 383 | 128 | |
| Total applications of operating funding (B) | 13,314 | 13,704 | 390 | |
| Surplus (deficit) of operating funding (A - B) | 326 | 394 | 68 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 912 | 344 | (568) | 3 |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 912 | 344 | (568) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | - | 65 | 65 | |
| - to replace existing assets | 1,238 | 873 | (565) | 3 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 1,238 | 738 | (500) | |
| Surplus (deficit) of capital funding (C - D) | (326) | (394) | (68) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 326 | 394 | 68 | |

Notes:

1. Reflects increase in release of Waste Minimisation Levy to offset landfill costs.
2. Costs have increased within this activity as a result of inflationary and other contractual pressures.
2. Costs associated with Stage 4 of the Landfill project moved out into the 2017/18 budget year.

FUNDING IMPACT STATEMENT
2.3 FOR WATER

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|-----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | - | - | - | |
| Targeted rates (other than a targeted rate for water supply) | 38,291 | 40,257 | 1,966 | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 35 | 45 | - | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 38,326 | 40,292 | 1,966 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 22,501 | 23,389 | 868 | 1 |
| Finance costs | 2,100 | 2,104 | 4 | |
| Internal charges and overheads applied | 1,443 | 1,062 | 509 | 2 |
| Other operating funding applications | - | - | - | |
| Total applications of operating funding (B) | 26,044 | 27,425 | 1,381 | |
| Surplus (deficit) of operating funding (A - B) | 12,282 | 12,867 | 585 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | 671 | 671 | - | |
| Increase (decrease) in debt | 3,999 | 1,377 | (2,622) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 4,670 | 2,048 | (2,622) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 563 | 538 | (25) | |
| - to improve the level of service | 3,038 | 3,375 | 337 | 3 |
| - to replace existing assets | 13,351 | 11,002 | (2,349) | 4 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 16,952 | 14,915 | (2,037) | |
| Surplus (deficit) of capital funding (C - D) | (12,282) | (12,867) | (585) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 12,282 | 12,867 | 585 | |

Notes:

1. Costs have increased due to a rise in bulk water costs from GWRC \$800k.
2. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
3. Funding for the upgrade of water meters across Wellington.
4. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
2.4 FOR WASTEWATER

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|-----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | - | - | - | |
| Targeted rates (other than a targeted rate for water supply) | 37,425 | 39,112 | 1,687 | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 1,233 | 1,244 | 11 | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 38,658 | 40,356 | 1,698 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 21,117 | 20,623 | (494) | 1 |
| Finance costs | 3,741 | 3,833 | 92 | |
| Internal charges and overheads applied | 3,525 | 5,254 | 1,729 | 2 |
| Other operating funding applications | - | - | - | |
| Total applications of operating funding (B) | 28,383 | 29,710 | 1,327 | |
| Surplus (deficit) of operating funding (A - B) | 10,275 | 10,646 | 371 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | 549 | 540 | - | |
| Increase (decrease) in debt | (343) | 301 | 383 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 206 | 589 | 383 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 223 | 228 | 5 | |
| - to improve the level of service | - | 310 | 316 | 3 |
| - to replace existing assets | 10,258 | 10,691 | 433 | 3 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 10,481 | 11,235 | 754 | |
| Surplus (deficit) of capital funding (C - D) | (10,275) | (10,646) | (371) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 13,428 | 13,887 | 459 | |

Notes:

1. Costs have decreased within this activity as a result of inflationary and other contractual pressures.
2. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
3. Budget increased to improve the resilience of the wastewater network.

**FUNDING IMPACT STATEMENT
2.5 FOR STORMWATER**

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | - | - | - | |
| Targeted rates (other than a targeted rate for water supply) | 17,442 | 18,012 | 570 | |
| Subsidies and grants for operating purposes | 136 | 125 | (11) | |
| Fees and charges | 10 | 10 | - | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 17,588 | 18,147 | 559 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 7,131 | 7,018 | (113) | |
| Finance costs | 2,904 | 2,890 | (14) | |
| Internal charges and overheads applied | 1,501 | 2,000 | 499 | 1 |
| Other operating funding applications | - | - | - | |
| Total applications of operating funding (B) | 11,536 | 11,908 | 372 | |
| Surplus (deficit) of operating funding (A - B) | 6,052 | 6,239 | 187 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | 58 | 58 | - | |
| Increase (decrease) in debt | (1,654) | 723 | 2,377 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | (1,596) | 781 | 2,377 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 161 | 237 | 76 | |
| - to improve the level of service | 1,501 | 4,550 | 3,049 | 2 |
| - to replace existing assets | 2,794 | 2,203 | (591) | 3 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 4,456 | 7,020 | 2,564 | |
| Surplus (deficit) of capital funding (C - D) | (6,052) | (6,239) | (187) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 6,052 | 6,239 | 187 | |

Notes:

1. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
2. Budget increased to improve the resilience and ability of the stormwater network to respond to significant weather events.
3. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
2.6 FOR CONSERVATION ATTRACTIONS

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 6,459 | 6,989 | 530 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | - | - | - | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 6,459 | 6,989 | 530 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 214 | 216 | 2 | |
| Finance costs | 748 | 787 | 39 | |
| Internal charges and overheads applied | 286 | 275 | (11) | |
| Other operating funding applications | 3,689 | 3,619 | 230 | |
| Total applications of operating funding (B) | 4,937 | 5,197 | 260 | |
| Surplus (deficit) of operating funding (A - B) | 1,522 | 1,792 | 270 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 126 | - | (126) | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | (332) | (975) | (643) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | (206) | (975) | (769) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 516 | - | (516) | 1 |
| - to replace existing assets | 800 | 817 | 17 | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 1,316 | 817 | (499) | |
| Surplus (deficit) of capital funding (C - D) | (1,522) | (1,792) | (270) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 1,522 | 1,792 | 270 | |

Notes:

1. No zoo upgrades budgeted in 2016/17 Annual Plan year.

FUNDING IMPACT STATEMENT
3.1 FOR CITY PROMOTIONS AND BUSINESS SUPPORT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 4,610 | 4,377 | (233) | |
| Targeted rates (other than a targeted rate for water supply) | 15,226 | 14,713 | (513) | |
| Subsidies and grants for operating purposes | - | 1,051 | 1,051 | 1 |
| Fees and charges | 14,365 | 14,369 | 4 | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 34,201 | 34,510 | 309 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 21,483 | 21,210 | (267) | |
| Finance costs | 736 | 1,565 | 829 | 1 |
| Internal charges and overheads applied | 939 | 754 | (185) | |
| Other operating funding applications | 12,248 | 15,793 | 4,515 | 2 |
| Total applications of operating funding (B) | 35,406 | 40,298 | 4,892 | |
| Surplus (deficit) of operating funding (A - B) | (1,205) | (5,788) | (4,583) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 3,420 | 12,799 | 9,379 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 3,420 | 12,799 | 9,379 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | - | 6,252 | 5,252 | 3 |
| - to replace existing assets | 2,215 | 1,759 | (456) | 4 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 2,215 | 7,011 | 4,796 | |
| Surplus (deficit) of capital funding (C - D) | 1,205 | 5,788 | 4,583 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 1,795 | 1,787 | (8) | |

Notes:

1. Funding income budgeted to offset interest costs associated with the construction of the proposed Convention Centre.
2. Grant to Westpac Regional Stadium Trust for stadium improvements and maintenance.
3. Funding for the proposed Convention Centre construction programme.
4. Total 2015/16 and 2016/17 budgets include funding for Wellington venues renewals \$1.3m, and 2016/17 for replacement of the TSB Arena floor \$380k. Budgeted works 2015/16 included funding for replacing the HVAC system at St James Theatre \$930k.

FUNDING IMPACT STATEMENT
4.1 FOR ARTS AND CULTURE ACTIVITIES

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 13,008 | 14,090 | 1,082 | |
| Targeted rates (other than a targeted rate for water supply) | 5,148 | 5,580 | 432 | |
| Subsidies and grants for operating purposes | 410 | 494 | 84 | |
| Fees and charges | 577 | 588 | 11 | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 19,143 | 20,752 | 1,609 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 4,072 | 4,723 | 651 | 1 |
| Finance costs | 276 | 368 | 92 | |
| Internal charges and overheads applied | 1,024 | 1,180 | 156 | |
| Other operating funding applications | 13,101 | 13,617 | 516 | 2 |
| Total applications of operating funding (B) | 18,473 | 19,918 | 1,445 | |
| Surplus (deficit) of operating funding (A - B) | 670 | 834 | 164 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 1,914 | - | (1,914) | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | (363) | 8,440 | 8,803 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 1,551 | 8,440 | 6,889 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 2,119 | 9,272 | 7,153 | 3 |
| - to replace existing assets | 102 | 2 | (100) | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 2,221 | 9,274 | 7,053 | |
| Surplus (deficit) of capital funding (C - D) | (670) | (834) | (164) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 670 | 834 | 164 | |

Notes:

1. Budget increase includes extra funding for Toi Pōneke \$140k, and funding for a new flagship outdoor events series \$200k.
2. Funding increased for Cultural Grants Pool \$275k, plus an increase to the Wellington Museums Grant \$270k.
3. Funding for construction of the proposed Movie Museum.

FUNDING IMPACT STATEMENT
5.1 FOR RECREATION PROMOTION AND SUPPORT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 25,083 | 25,984 | 911 | |
| Targeted rates (other than a targeted rate for water supply) | 1,088 | 1,107 | 19 | |
| Subsidies and grants for operating purposes | 200 | 204 | 4 | |
| Fees and charges | 11,547 | 11,599 | 52 | |
| Internal charges and overheads recovered | 1,116 | 1,135 | 20 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 39,034 | 40,040 | 1,006 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 17,953 | 18,070 | 917 | 1 |
| Finance costs | 3,615 | 3,795 | 180 | |
| Internal charges and overheads applied | 9,214 | 9,058 | (156) | |
| Other operating funding applications | 663 | 673 | 15 | |
| Total applications of operating funding (B) | 31,445 | 32,401 | 956 | |
| Surplus (deficit) of operating funding (A - B) | 7,589 | 7,639 | 50 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 736 | (422) | (1,558) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 736 | (422) | (1,558) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 1,476 | 2,041 | 1,065 | 2 |
| - to replace existing assets | 6,849 | 4,276 | (2,573) | 2 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 8,325 | 6,317 | (1,508) | |
| Surplus (deficit) of capital funding (C - D) | (7,589) | (7,639) | (50) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 7,589 | 7,639 | 50 | |

Notes:

- Budget increase due to increase in staffing levels across the recreation centre and swimming pool network to meet health and safety requirements \$625k, plus other inflationary pressures.
- Total budget for 2016/17 includes funding for Basin Reserve Master Plan renewals programme \$1.6m, Hataitai Park re-surfacing \$275k, renewal of Freyberg Pool facilities \$1.8m, funding for an artificial surface at the former Terawhiti Bowling Club site in Karori \$740k and development of Martin Luckie Park as a training facility for elite sport in Wellington \$500k.

FUNDING IMPACT STATEMENT
5.2 FOR COMMUNITY SUPPORT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 22,792 | 24,737 | 1,945 | |
| Targeted rates (other than a targeted rate for water supply) | 4,250 | 4,357 | 207 | |
| Subsidies and grants for operating purposes | 969 | 984 | (35) | |
| Fees and charges | 22,869 | 19,432 | (3,437) | 1 |
| Internal charges and overheads recovered | 1,171 | 1,126 | (46) | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 586 | 547 | (39) | |
| Total operating funding (A) | 52,637 | 51,232 | (1,405) | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 26,470 | 26,236 | (234) | |
| Finance costs | (1,632) | (1,800) | 32 | |
| Internal charges and overheads applied | 11,542 | 12,067 | 1,425 | 2 |
| Other operating funding applications | 4,084 | 4,632 | 548 | 3 |
| Total applications of operating funding (B) | 40,464 | 42,235 | 1,771 | |
| Surplus (deficit) of operating funding (A - B) | 12,173 | 8,997 | (3,176) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 20,668 | 18,082 | (2,586) | 4 |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | (3,771) | 24,047 | 28,418 | 5 |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 16,897 | 42,729 | 25,832 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | 919 | 919 | 5 |
| - to improve the level of service | 26,139 | 26,700 | (433) | 5 |
| - to replace existing assets | 8,763 | 7,119 | (1,744) | 5 |
| Increase (decrease) in reserves | (5,832) | 18,082 | 23,914 | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 29,070 | 51,726 | 22,656 | |
| Surplus (deficit) of capital funding (C - D) | (12,173) | (8,997) | 3,176 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 15,318 | 15,504 | 186 | |

Notes:

1. Reduction in revenue due to closure of Arlington Street social housing during redevelopment.
2. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
3. Additional funding for the Social and Recreation Grants Pool \$500k.
4. Reduction in drawdown from social housing funding pool.
5. Budgeted expenditure for Housing Upgrade Programme and Johnsonville Library redevelopment.

FUNDING IMPACT STATEMENT
5.3 FOR PUBLIC HEALTH AND SAFETY

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 9,540 | 10,088 | 559 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | 25 | - | (25) | |
| Fees and charges | 3,993 | 4,082 | 89 | |
| Internal charges and overheads recovered | 664 | 676 | 12 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 39 | 39 | - | |
| Total operating funding (A) | 14,261 | 14,896 | 635 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 9,012 | 9,011 | (1) | |
| Finance costs | 91 | 93 | 2 | |
| Internal charges and overheads applied | 4,386 | 4,088 | 602 | 1 |
| Other operating funding applications | 129 | 100 | (20) | |
| Total applications of operating funding (B) | 13,618 | 14,201 | 583 | |
| Surplus (deficit) of operating funding (A - B) | 643 | 695 | 52 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 1,028 | 1,315 | 287 | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 1,028 | 1,315 | 287 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 110 | 738 | 629 | 2 |
| - to replace existing assets | 1,561 | 1,271 | (290) | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 1,671 | 2,010 | 339 | |
| Surplus (deficit) of capital funding (C - D) | (643) | (695) | (52) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 643 | 695 | 52 | |

Notes:

1. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.

2. Additional funding included for funding for the upgrade of the clubrooms at Martin Luckie Park \$250k, and upgrade of public conveniences at Alex Moore Park \$330k.

FUNDING IMPACT STATEMENT
6.1 FOR URBAN PLANNING, HERITAGE AND PUBLIC SPACES DEVELOPMENT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 6,896 | 7,622 | 726 | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 20 | 20 | - | |
| Internal charges and overheads recovered | - | 408 | 408 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 6,916 | 8,050 | 1,134 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 2,857 | 4,524 | 1,667 | 1 |
| Finance costs | 15 | 14 | (1) | |
| Internal charges and overheads applied | 3,233 | 3,201 | (1,032) | 2 |
| Other operating funding applications | 800 | 1,300 | 500 | 3 |
| Total applications of operating funding (B) | 6,905 | 8,039 | 1,134 | |
| Surplus (deficit) of operating funding (A - B) | 11 | 11 | - | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 7,607 | 7,942 | 335 | |
| Gross proceeds from sales of assets | 650 | 2,000 | 1,950 | 4 |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 8,257 | 10,542 | 2,285 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 5,702 | 9,349 | 3,647 | 5 |
| - to replace existing assets | 2,566 | 1,204 | (1,362) | 6 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 8,268 | 10,553 | 2,285 | |
| Surplus (deficit) of capital funding (C - D) | (11) | (11) | - | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 11 | 11 | - | |

Notes:

1. Additional funding for Swan Lane and Egmont street urban lane activation projects \$200k, for reinstatement of the Akau Tangi cones on Cobham Drive \$90k, reclassification of costs from the organisation overhead pool \$1.25m.

2. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.

3. Additional funding of \$500k for Built Heritage Incentive Fund added during 2015-25 Long-term Plan.

4. Proceeds from long term lease of Kumutoto waterfront development space \$2.6m.

5. Funding for development of North Kumutoto waterfront public space \$3m. Additional funding for urban lane activation projects in Swan Lane, Garrett Lane and Holland Street \$400k.

6. Total budget for 2016/17 consists of funding for waterfront seawall and wharf renewals \$810k, additional budget for maintenance of the Lagoon Bridge \$150k and public street lighting \$75k.

FUNDING IMPACT STATEMENT
6.2 FOR BUILDING AND DEVELOPMENT CONTROL

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 9,449 | 8,685 | (764) | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 12,027 | 11,942 | (85) | |
| Internal charges and overheads recovered | 224 | 342 | 118 | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 24 | 24 | - | |
| Total operating funding (A) | 21,724 | 20,993 | (731) | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 12,655 | 12,901 | (174) | |
| Finance costs | 3 | 3 | - | |
| Internal charges and overheads applied | 8,761 | 8,724 | (37) | 1 |
| Other operating funding applications | 135 | 135 | - | |
| Total applications of operating funding (B) | 21,554 | 20,843 | (711) | |
| Surplus (deficit) of operating funding (A - B) | 170 | 150 | (20) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 5,770 | 2,091 | (2,879) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 5,770 | 2,091 | (2,879) | |
| Applications of capital funding | | | | |
| Capital expenditure | - | - | - | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 5,940 | 3,041 | (2,899) | 2 |
| - to replace existing assets | - | - | - | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 5,940 | 3,041 | (2,899) | |
| Surplus (deficit) of capital funding (C - D) | (170) | (150) | 20 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 170 | 150 | (20) | |

Notes:

1. Decrease due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
2. Funding moved into 2017/18 to better reflect deliverability of Civic Campus refresh project.

FUNDING IMPACT STATEMENT
7.1 FOR TRANSPORT

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|-----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | 32,648 | 35,761 | 3,113 | |
| Targeted rates (other than a targeted rate for water supply) | 33 | 33 | - | |
| Subsidies and grants for operating purposes | 4,046 | 4,442 | 396 | 1 |
| Fees and charges | 2,042 | 1,960 | (82) | |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | - | - | - | |
| Total operating funding (A) | 38,769 | 42,196 | 3,427 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 12,189 | 13,409 | 1,220 | 2 |
| Finance costs | 5,169 | 5,288 | 119 | |
| Internal charges and overheads applied | 6,093 | 7,106 | 1,013 | |
| Other operating funding applications | 515 | 1,260 | 745 | 3 |
| Total applications of operating funding (B) | 23,966 | 27,063 | 3,097 | |
| Surplus (deficit) of operating funding (A - B) | 14,803 | 15,133 | 330 | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | 12,668 | 14,868 | 2,200 | |
| Development and financial contributions | 539 | 539 | - | |
| Increase (decrease) in debt | 10,563 | 10,117 | (546) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 23,770 | 25,424 | 1,654 | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | 1,580 | - | (1,580) | 4 |
| - to improve the level of service | 11,199 | 10,602 | 4,403 | 5 |
| - to replace existing assets | 25,794 | 24,955 | (839) | 6 |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 38,573 | 40,557 | 1,984 | |
| Surplus (deficit) of capital funding (C - D) | (14,803) | (15,133) | (330) | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 22,646 | 24,453 | 1,807 | |

Notes:

1. Capital expenditure budget has resulted in a higher level of NZTA subsidy.
2. Increase due to more funding for Ngauranga Gorge to Airport expressway project \$1.7m, and increased funding for network compliance items, for example signage and markings \$226k.
3. Funding for replacement of Cable Car electric drive, budgeted in the 2015-25 Long-term Plan Year 2 \$2.5m, now re-phased \$1.5m into 2015/16, and \$1m 2016/17.
4. No growth upgrade projects budgeted for 2016/17, 2015/16 budget included funding for Johnsonville Triangle improvements.
5. Total 2016/17 budget includes a \$7.5m investment in cycling infrastructure. New initiative Safer Roads project funding \$1.1m, and increased funding for roading corridor improvement projects \$600k.
6. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
7.2 FOR PARKING

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|----------------|---------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | (14,051) | (14,370) | (319) | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | - | - | |
| Fees and charges | 19,899 | 20,777 | 878 | 1 |
| Internal charges and overheads recovered | - | - | - | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 7,556 | 7,518 | (38) | |
| Total operating funding (A) | 13,404 | 13,925 | 521 | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 10,346 | 10,765 | 419 | |
| Finance costs | 479 | 584 | 105 | |
| Internal charges and overheads applied | 1,987 | 2,523 | 536 | 2 |
| Other operating funding applications | 1 | 1 | - | |
| Total applications of operating funding (B) | 12,813 | 13,873 | 1,060 | |
| Surplus (deficit) of operating funding (A - B) | 591 | 52 | (539) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 858 | 444 | (414) | |
| Gross proceeds from sales of assets | - | - | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 858 | 444 | (414) | |
| Applications of capital funding | | | | |
| Capital expenditure | - | - | - | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 1,449 | 496 | (953) | 3 |
| - to replace existing assets | - | - | - | |
| Increase (decrease) in reserves | - | - | - | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 1,449 | 496 | (953) | |
| Surplus (deficit) of capital funding (C - D) | (591) | (52) | 539 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following depreciation/amortisation charge | 591 | 52 | (539) | |

Notes:

1. Increase due to movement of carparking revenue from Activity 1.1 to 7.2 \$320k, and inflationary effect on revenue \$420k.
2. Increase due to reallocation of organisational overhead costs to better align to the cost of services provided within the Activity.
3. Total budget for 2016/17 includes funding for phase 2 of parking sensor roll-out \$300k (phase 1 2015-25 Long-term Plan \$1.45m), and roadside parking improvements \$105k.

FUNDING IMPACT STATEMENT
10.1 FOR ORGANISATIONAL

| | 2015-25 LTP | 2016/17 AP | Variance to LTP | Notes |
|--|-----------------|----------------|--------------------|-------|
| | \$000 | \$000 | \$000 | |
| Sources of operating funding | | | | |
| General rates, uniform annual general charges, rates penalties | (12,422) | (15,494) | (3,072) | |
| Targeted rates (other than a targeted rate for water supply) | - | - | - | |
| Subsidies and grants for operating purposes | - | 200 | 200 | |
| Fees and charges | 29,793 | 32,564 | 2,771 | 1 |
| Internal charges and overheads recovered | 34,577 | 33,829 | (748) | |
| Local authorities fuel tax, fines, infringement fees, and other receipts | 1,050 | 1,050 | - | |
| Total operating funding (A) | 52,998 | 52,149 | (849) | |
| Applications of operating funding | | | | |
| Payments to staff and suppliers | 71,094 | 75,009 | 4,715 | 1 |
| Finance costs | 1,829 | 3,141 | 1,312 | 2 |
| Internal charges and overheads applied | (30,727) | (36,145) | (4,718) | 3 |
| Other operating funding applications | 100 | 100 | - | |
| Total applications of operating funding (B) | 42,296 | 43,605 | 1,309 | |
| Surplus (deficit) of operating funding (A - B) | 10,702 | 8,544 | (2,158) | |
| Sources of capital funding | | | | |
| Subsidies and grants for capital expenditure | - | - | - | |
| Development and financial contributions | - | - | - | |
| Increase (decrease) in debt | 15,148 | 5,435 | (9,713) | |
| Gross proceeds from sales of assets | 2,000 | 2,000 | - | |
| Lump sum contributions | - | - | - | |
| Total sources of capital funding (C) | 17,148 | 7,435 | (9,713) | |
| Applications of capital funding | | | | |
| Capital expenditure | | | | |
| - to meet additional demand | - | - | - | |
| - to improve the level of service | 2,370 | 4,001 | 2,491 | 4 |
| - to replace existing assets | 15,437 | 24,100 | 8,569 | 4 |
| Increase (decrease) in reserves | 10,043 | (12,888) | (22,931) | |
| Increase (decrease) in investments | - | - | - | |
| Total applications of capital funding (D) | 27,850 | 15,379 | (11,871) | |
| Surplus (deficit) of capital funding (C - D) | (10,702) | (8,544) | 2,158 | |
| Funding balance ((A - B) + (C - D)) | - | - | - | |
| Expenses for this activity grouping include the following | | | | |
| depreciation/amortisation charge | 12,776 | 8,363 | (4,413) | |

Notes:

1. Transition costs and associated external income from move to regional shared services for information and communications technology.
2. Finance cost increase related to increased debt funding of capital expenditure projects as per Note 4 below.
3. Decrease in corporate costs due to reallocation of organisational overhead.
4. Total budget includes funding for Civic Campus redevelopment/ office resilience and efficiency projects \$3.9m, Council property-related renewals/ upgrades \$4.1m, and funding for information technology projects \$2.7m. Funding of \$10.34m budgeted for the purchase of Karori Sanctuary visitor centre from the Karori Sanctuary Trust. The Trust will use these funds to repay their outstanding loan balance with Council of \$10.34m.

2016/17 ANNUAL PLAN FUNDING IMPACT STATEMENT

— RATING MECHANISMS

RATES

Rates are a property tax to fund local government activities. Rates are assessed under the Local Government (Rating) Act 2002 (the Act) on rating units in the Rating Information Database. Where rates requirements are allocated based on property value, the capital value of the property as assessed by the Council's valuation services provider will apply. The latest city-wide revaluation was carried out as at 1 September 2015. This revaluation remains effective for the 2016/17 rating year, except where subsequent maintenance valuations have been required under valuation rules or the Council's rating policies.

City-wide revaluations are performed every three years. The next city-wide revaluation will be carried out as at 1 September 2018 and will be effective for the 2019/20 rating year and the two consecutive rating years (subject again to subsequent maintenance valuations).

Policy objective:

- To provide the Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible by balancing the level of service provided by the Council with ability to pay and the incidence of costs in relation to benefits received.
- To be neutral in that it does not encourage people to redirect activity in order to avoid its impact.
- To reflect the decisions of the Council's policies and rating reviews.

GENERAL RATES

General rates are set under section 13 of the Act on all rateable rating units in the City of Wellington.

The Council proposes to set a general rate based on the capital value of each rating unit within the city.

The general rate will be set on a differential basis, based on land use. All rating units (or part thereof) will be classified for the purposes of general rates within one of the following rating differentials.

DIFFERENTIAL RATING CATEGORIES

Base Differential

This includes:

- a. Separately rateable land used solely for one or more household units; excluding those properties that provide short stay (28 days or less) commercial accommodation for which a tariff is charged
- b. Vacant land zoned residential
- c. Rural land (including farmland and lifestyle blocks) under the District Plan that is administered by the Council, but excluding any rating unit that is used for rural industrial purposes
- d. Separately-rateable land occupied by a charitable organisation which is deemed by the Council to be used exclusively or principally for sporting, recreation or community purposes and that does not generate any private pecuniary profit.

This category has a general rate differential rating factor of 1.0.

Commercial, Industrial and Business Differential

This includes:

- a. Separately-rateable land used for a commercial or industrial purpose
- b. Vacant land zoned commercial, industrial or rural industrial under the District Plan administered by the Council
- c. Land used for offices, administrative and/or associated functions
- d. Land used for commercial accommodation for which a tariff is charged and where the principal purpose is the provision of short stay (28 days or less) accommodation
- e. Business-related premises used principally for private pecuniary benefit
- f. Utility networks
- g. Any property not otherwise categorised within the Base Differential.

This category has a general rate differential rating factor of 2.8.

Differential Rating Category Conditions

Differential rating 2.8:1 Commercial:Base

- The differential apportionment for the commercial, industrial and business sector is 2.8 times the General rate per dollar of capital value payable by those properties incorporated under the Base (Residential) differential. No changes are to the differential apportionment in 2016/17.
- The separated parts of a rating unit will be differentially rated where a part of the property is non-rateable or the property fits under one or more rating differential and either:
 - a) The total capital value of the rating unit is above \$800,000 or
 - b) Minority use(s) account for more than 30 percent of the total capital value of the rating unit.

In any other case, the General rate differential is determined by principal use.

- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a building consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
 - a) The time at which the Council gives final approval of the completed works, or

b) The property is deemed (by the Council) to be available for its intended use.

- In situations where the change in land use does not require a Council consent, but warrants a change in differential rating category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.
- The rating differential classification of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential classification during a rating year will apply from 1 July of the following rating year.
- Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Act, will be first classified under the appropriate General rate differential classifications and the non-rateability applied to that rate.

Uniform Annual General Charge

The Council does not assess a uniform annual general charge.

NON-RATEABLE LAND

Non-Rateable

Includes any land referred to in Part 1, Schedule 1 of the Act. This land is non-rateable with the exception of targeted rates solely for sewerage and water where the service is provided.

50 Percent Non-Rateable

Includes all land referred to in Part 2, Schedule 1 of the Act. This land is 50 percent non-rateable in respect of the rates that apply, with the exception of targeted rates for sewerage and water for which the land is fully rateable if the service is provided.

TARGETED RATES

Targeted rates are set under section 16 of the Act.

The Council has not adopted any lump sum contribution schemes under part 4A of the Act in respect of its targeted rates, and will not accept lump sum contributions in respect of any targeted rate.

Sewerage Rate

Targeted sewerage rates are to be apportioned 60 percent:40 percent of rates between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the sewerage treatment facilities for the city.

For the purposes of these rates the sewerage collection and disposal service is treated as being provided if the rating unit is connected to a public sewerage drain (either directly or indirectly),

irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Act.

The targeted Sewerage rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 40 percent of the required rates funding, after having deducted the total dollar amount budgeted to be collected through Trade Waste Charges (excluding consent fees).

For rating units incorporated in the Base differential:

A fixed amount per annum per rating unit for administration, plus a rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 60 percent of the required rate funding.

Water Rate

A targeted rate for water is to be apportioned with the aim of achieving a 60 percent:40 percent split between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate pays for water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is set on all rating units serviced by a water connection.

For the purposes of these rates, the water service is treated as being provided if the rating unit is connected to the public water supply (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatorily non-rateable or 50 percent non-rateable under Schedule 1 or 2 of the Act.

The targeted Water rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential, either:

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit for administration.

Or

- b) A rate per dollar of capital value on all rating units connected to the public water supply, without a water meter installed.

For rating units rated incorporated in the Base differential, either:

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit for administration.

Or

- b) A fixed amount per annum per rating unit for administration, plus a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed, to collect the required Base differential contribution.

Stormwater Network Rate

A targeted stormwater rate is to be apportioned 77.5 percent to the non-rural rating units incorporated under the Base differential and 22.5 percent to the non-rural rating units incorporated under the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate pays for the cost of the provision of the stormwater collection/disposal network for the city.

Properties classified as rural under the Council's District Plan are excluded from the liability of this rate.

The targeted Stormwater network rate is calculated as follows:

For non-rural rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value to collect 22.5 percent of the required rates funding.

For non-rural rating units incorporated in the Base differential:

A rate per dollar of capital value to collect 77.5 percent of the required rates funding.

Commercial, Industrial and Business Sector Targeted Rate

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to the commercial, industrial and business sector and where the activity is not incorporated in other service related targeted rates. This incorporates the following:

- 30 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues. This is the equivalent of 100 percent funding of the events attraction and support activity within WREDA.

This rate is assessed on all properties incorporated in the commercial, industrial and business sector and is calculated on a rate per dollar of rateable capital value.

Base Sector Targeted Rate

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category (incorporating residential ratepayers). This incorporates the following activities:

- 100 percent of the facilitation of community environmental initiatives, cultural grants, facilitation of recreation partnerships and community advocacy activities.
- 95 percent of the provision of community centres and halls activities.
- 60 percent of the provision of the water network, collection and treatment, and the sewage collection, treatment and disposal network activities
- 77.5 percent of the stormwater management activity.

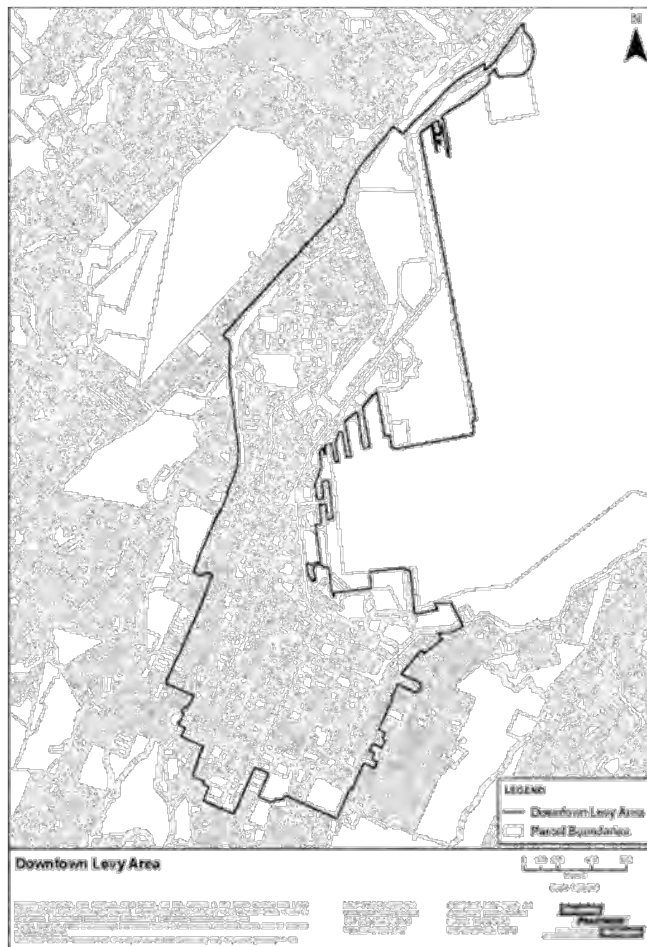
This rate is assessed on all properties incorporated under the Base differential rating category and is calculated on a rate per dollar of rateable capital value.

Downtown Targeted Rate

This rate pays for tourism promotion and retail support (free weekend parking). It also pays for:

- 50 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues activities
- 40 percent of the cost of the Wellington Convention Centre activity
- 100 percent of retail support (free weekend parking) activity
- 70 percent of the visitor attractions activity
- 25 percent of galleries and museums activity.

This rate is assessed on all commercial, industrial and business properties in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purposes of this rate, the downtown area refers to the area as described by the Downtown Area map as follows:



Tawa Driveways Targeted Rate

This rate pays for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council. This rate is assessed on a specific group of rating units that have shared access driveway that are maintained by Council in the former Tawa Borough at a fixed amount per annum per rating unit.

Marsden Village Targeted Rate

This rate is collected by the Council on behalf of the Marsden Village Association on all commercial, industrial and business properties in the Marsden shopping village (see map below) and is calculated on a rate per dollar of capital value to fund the maintenance of the area.

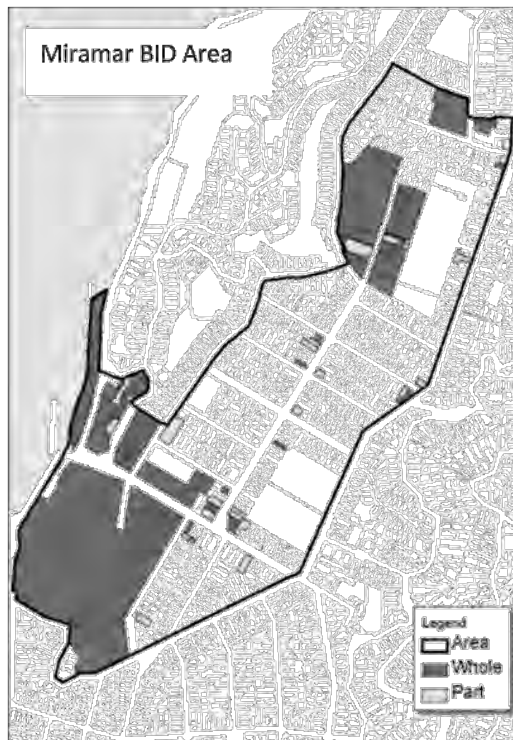


Miramar Business Improvement District Targeted Rate

This rate is set by Council to fund the Business Improvement District activities of Enterprise Miramar Peninsula Incorporated.

The category of land for which this rate is set is on all rating units within the Miramar Business Improvement District (see map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation or used by local or central government for a non-business purpose.

Liability for this rate is calculated as a fixed amount per rating unit, plus a rate per dollar of capital value for any capital value over \$1 million per rating unit.



Khandallah Business Improvement District Targeted Rate

This rate is set by Council to fund the Business Improvement District activities of the Khandallah Business Association Incorporated.

The category of land for which this rate is set is on all rating units within the Khandallah Business Improvement District (see map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation.

Liability for this rate is calculated as a rate per dollar of rateable capital value.



Kilbirnie Business Improvement District Targeted Rate

This rate is set by Council to fund the Business Improvement District activities of the Kilbirnie Business Network.

The category of land for which this rate is set is on all rating units within the Kilbirnie Business Improvement District (see map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation.

Liability for this rate is calculated as a fixed amount per rating unit, plus a rate per dollar of capital value for any capital value over \$1 million per rating unit.



INDICATIVE RATES

The following table shows the indicative residential and commercial property rates inclusive of GST for a selection of billing categories, based on the 2016/17 budget.

| Indicative residential property rates (for properties without a water meter) | | |
|--|---------------------|--------------------------------|
| Capital Values \$ | 2016/17 Rates \$ | Increase over 2015/16 %* |
| 200,000 | 1,122 | 4.88% |
| 300,000 | 1,539 | 5.13% |
| 400,000 | 1,957 | 5.27% |
| 500,000 | 2,374 | 5.37% |
| 600,000 | 2,791 | 5.43% |
| 700,000 | 3,209 | 5.48% |
| 800,000 | 3,626 | 5.52% |
| 900,000 | 4,043 | 5.55% |
| 1,000,000 | 4,461 | 5.58% |
| 1,100,000 | 4,878 | 5.60% |
| 1,200,000 | 5,295 | 5.61% |
| 1,300,000 | 5,713 | 5.63% |
| 1,400,000 | 6,130 | 5.64% |
| 1,500,000 | 6,547 | 5.65% |
| 1,600,000 | 6,965 | 5.66% |
| 1,700,000 | 7,382 | 5.67% |
| 1,800,000 | 7,800 | 5.68% |

| Indicative suburban commercial property rates (for properties with a water meter). This excludes water by consumption which is charged on actual usage. | | |
|---|---------------------|--------------------------------|
| Capital Values \$ | 2016/17 Rates \$ | Increase over 2015/16 %* |
| 1,000,000 | 9,916 | 3.91% |
| 1,250,000 | 12,363 | 3.92% |
| 1,500,000 | 14,810 | 3.93% |
| 1,750,000 | 17,257 | 3.93% |
| 2,000,000 | 19,704 | 3.94% |
| 2,250,000 | 22,151 | 3.94% |
| 2,500,000 | 24,598 | 3.94% |
| 2,750,000 | 27,045 | 3.94% |
| 3,000,000 | 29,491 | 3.94% |
| 3,250,000 | 31,938 | 3.95% |
| 3,500,000 | 34,385 | 3.95% |
| 3,750,000 | 36,832 | 3.95% |
| 4,000,000 | 39,279 | 3.95% |
| 4,250,000 | 41,726 | 3.95% |
| 4,500,000 | 44,173 | 3.95% |
| 4,750,000 | 46,620 | 3.95% |
| 5,000,000 | 49,067 | 3.95% |

| Indicative downtown commercial property rates (for properties with a water meter). This excludes water by consumption which is charged on actual usage. | | |
|---|---------------------|--------------------------------|
| Capital Values \$ | 2016/17 Rates \$ | Increase over 2015/16 %* |
| 1,000,000 | 11,994 | 0.52% |
| 1,250,000 | 14,961 | 0.52% |
| 1,500,000 | 17,927 | 0.52% |
| 1,750,000 | 20,894 | 0.52% |
| 2,000,000 | 23,860 | 0.52% |
| 2,250,000 | 26,826 | 0.52% |
| 2,500,000 | 29,793 | 0.52% |
| 2,750,000 | 32,759 | 0.52% |
| 3,000,000 | 35,726 | 0.52% |
| 3,250,000 | 38,692 | 0.52% |
| 3,500,000 | 41,659 | 0.52% |
| 3,750,000 | 44,625 | 0.52% |
| 4,000,000 | 47,591 | 0.52% |
| 4,250,000 | 50,558 | 0.53% |
| 4,500,000 | 53,524 | 0.53% |
| 4,750,000 | 56,491 | 0.53% |
| 5,000,000 | 59,457 | 0.53% |

*This is the indicative percentage rates increase, taking into account average increases in property valuations for the relevant billing category.

| 2016/17 FUNDING IMPACT STATEMENT (excluding GST) | | | | | | |
|---|---|--|---|-----------------------|--------------|---------------------------------------|
| RATE | CATEGORY | FACTOR | DIFFERENTIAL CHARGE TYPE | TOTAL VALUE OF FACTOR | RATE/CHARGE | RATES YIELD GST EXCLUSIVE \$000 |
| General Rate | Base (Residential) | Capital Value | Base differential use | \$39,413,606,000 | €0.222919 | \$87,860 |
| | Commercial, Industrial & Business | Capital Value | Commercial, industrial & business use | \$11,510,047,000 | €0.623768 | \$71,796 |
| | TOTAL | | | | | \$159,656 |
| Sewerage targeted rate | Base (Residential) | Fixed amount / rating unit | Base differential use per connection status | 67702 properties | \$106.60 | \$7,217 |
| | | Capital Value | Base differential use per connection status | \$41,872,537,000 | €0.042703 | \$17,881 |
| | Commercial, Industrial & Business | Capital Value | Commercial, industrial and business use per connection status | \$9,702,032,000 | €0.144444 | \$14,014 |
| | TOTAL | | | | | \$39,112 |
| Water targeted rate | Base (Residential) (without water meter) | Fixed amount / rating unit | Base differential use per connection status without a water meter | 59693 properties | \$143.20 | \$8,548 |
| | | Capital Value | Base differential use per connection status without a water meter | \$34,115,672,000 | €0.044305 | \$15,115 |
| | Base (Residential) (with water meter) | Consumption unit charge | Base differential use per connection status with a water meter | n/a | \$2.020 / m3 | \$413 |
| | | Fixed amount / rating unit | Base differential use per connection status with a water meter | n/a | \$116.40 | \$78 |
| | Commercial, Industrial & Business (without water meter) | Capital Value | Commercial, industrial and business use per connection status without a water meter | \$563,721,000 | €0.423437 | \$2,387 |
| | Commercial, Industrial & Business (with water meter) | Consumption unit charge | Commercial, industrial and business use per connection status with a water meter | n/a | \$2.020 / m3 | \$13,348 |
| | | Fixed amount / rating unit | Commercial, industrial and business use per connection status with a water meter | n/a | \$116.40 | \$368 |
| | TOTAL | | | | | \$40,256 |
| Stormwater targeted rate | Base (Residential excluding rural) | Capital Value | Base differential use (excluding rural) | \$38,888,441,000 | €0.035895 | \$13,959 |
| | Commercial, Industrial & Business (excluding rural) | Capital Value | Commercial, industrial and business use (excluding rural) | \$10,079,699,000 | €0.040210 | \$4,053 |
| | TOTAL | | | | | \$18,012 |
| Base sector targeted rate | Base (Residential) | Capital Value | Residential use | \$39,357,906,000 | €0.017089 | \$6,726 |
| Commercial sector targeted rate | Commercial, Industrial & Business | Capital Value | Commercial, industrial & business use | \$11,565,047,000 | €0.042672 | \$4,935 |
| Downtown targeted rate | Commercial, Industrial & Business | Capital Value | Commercial, industrial & business use located in the downtown area | \$7,748,617,000 | €0.180703 | \$14,002 |
| Tawa driveways targeted rate | Base (Residential) | Fixed amount / rating unit | Shared residential access driveways in maintained by Council in the suburb of Tawa (extent of provision of service) | 251 properties | \$133.33 | \$33 |
| Marsden Village targeted rate | Commercial, Industrial & Business | Capital Value | Commercial, industrial & business use located in Marsden shopping village area | \$11,845,000 | €0.121538 | \$14 |
| Khandallah Business Improvement District targeted rate | Commercial, Industrial & Business | Capital Value | Commercial, industrial & business use located in the Khandallah Business Improvement District area | \$13,060,000 | €0.153139 | \$20 |
| Kilbirnie Business Improvement District targeted rate | Commercial, Industrial & Business | Fixed amount / rating unit | Commercial, industrial & business use located in the Kilbirnie Business Improvement District area | 106 properties | \$500.00 | \$53 |
| | | Capital Value over \$1,000,000 per rating unit | Commercial, industrial & business use located in the Kilbirnie Business Improvement District area for all capital value over \$1,000,000 CV per rating unit | \$81,960,000 | €0.032943 | \$27 |
| | TOTAL | | | | | \$80 |
| Miramar Business Improvement District targeted rate | Commercial, Industrial & Business | Fixed amount / rating unit | Commercial, industrial & business use located in the Miramar Business Improvement District area | 126 properties | \$365.00 | \$46 |
| | | Capital Value over \$1,000,000 per rating unit | Commercial, industrial & business use located in the Miramar Business Improvement District area for all capital value over \$1,000,000 CV per rating unit | \$93,920,000 | €0.036212 | \$34 |
| | TOTAL | | | | | \$80 |
| TOTAL RATES REQUIREMENT (excluding GST) | | | | | | \$282,927 |
| NOTE: When rates for 2016/17 are assessed, GST will be applied to the final rates. The total rates requirement includes rates remissions but excludes rates penalties which are budgeted separately | | | | | | |

RATES REMISSION AND POSTPONEMENT POLICIES

Refer to the Council Rates Remission and Postponement Policies. There are no changes to the rates remission and postponement policies.

**PROSPECTIVE STATEMENT OF COMPREHENSIVE
REVENUE AND EXPENSE**

| | 2015-25 LTP Yr 1 | 2016/17 AP | Variance to Amended LTP | Notes |
|---|---------------------|----------------|-------------------------------|----------|
| | \$000 | \$000 | \$000 | |
| INCOME | | | | |
| Revenue from rates | 270,907 | 284,138 | 13,231 | |
| Revenue from development contributions | 2,000 | 2,000 | - | |
| Revenue from grants, subsidies and reimbursements | 42,511 | 41,037 | (1,474) | 1 |
| Revenue from operating activities | 121,287 | 121,365 | 678 | 1 |
| Investments | 20,135 | 20,447 | 312 | |
| Fair value movement on investment property revaluation | 3,665 | 3,388 | 324 | |
| Other revenue | 1,050 | 1,050 | - | |
| Finance revenue | 637 | 650 | 13 | |
| TOTAL INCOME | 462,192 | 475,278 | 13,084 | |
| EXPENSE | | | | |
| Finance expense | 22,961 | 25,617 | 2,656 | 2 |
| Expenditure on operating activities | 316,333 | 334,923 | 18,593 | 3 |
| Depreciation and amortisation | 99,797 | 101,975 | 2,178 | |
| TOTAL EXPENSE | 439,091 | 462,515 | 23,427 | |
| NET SURPLUS FOR THE YEAR | 23,101 | 12,761 | (10,343) | 4 |
| OTHER COMPREHENSIVE INCOME | | | | |
| Fair value movement - property, plant and equipment - net | - | - | - | |
| Share of equity accounted surplus from associates | - | - | - | |
| TOTAL OTHER COMPREHENSIVE INCOME | - | - | - | |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 23,101 | 12,761 | (10,343) | |

Notes:

1. Details of specific changes to revenue from activities can be found in the Funding Impact Statements.
2. Additional interest costs due to increased spending on capital projects.
3. Details of specific changes to operational costs can be found in the Funding Impact Statements.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

| 4. EXPLANATION OF SURPLUS | 2016/17 AP |
|---|-----------------|
| <i>Items that are presented in the Prospective Statement of Comprehensive Revenue and Expense but do not offset rates</i> | |
| BALANCED BUDGET | 0 |
| DEPRECIATION NOT FUNDED BY RATES: | |
| <i>Depreciation collected for capital assets that will not be renewed</i> | |
| NZTA Transport funded projects | (7,597) |
| General | (91) |
| Clearwater sewerage treatment plant | (3,040) |
| Decommissioned Living Earth joint venture plant | (201) |
| Wellington Waterfront Limited depreciation | (3,396) |
| TOTAL DEPRECIATION NOT FUNDED BY RATES | (14,326) |
| REVENUE RECEIVED FOR CAPITAL PURPOSES: | |
| <i>Funding received from external parties for major capital expenditure projects</i> | |
| NZTA capital funding | 14,868 |
| Housing capital grant and ring-fenced surplus | (5,909) |
| Development contributions | 18,082 |
| Bequests, trust and other external funding | 2,000 |
| TOTAL REVENUE RECEIVED FOR CAPITAL PURPOSES | 29,041 |
| ITEMS FUNDED FROM PRIOR YEAR SURPLUSES: | |
| City Growth Fund | (3,000) |
| Lyall Bay Surf Club | (200) |
| Toitu Pōneke Sports Hub | (150) |
| TOTAL ITEMS FUNDED FROM PRIOR YEAR SURPLUSES | (3,350) |
| ADDITIONAL OPERATIONAL EXPENDITURE ITEMS: | |
| <i>Operational expenditure items identified as equitable to be funded through other funding mechanisms</i> | |
| Alex Moore Park | 12 |
| Cable Car | (875) |
| Odyssey-related | (3,620) |
| Reserves purchases and development fund | (30) |
| Roading | (848) |
| Toitu Pōneke | (520) |
| Weathertight homes funding | 7,227 |
| Westpac Stadium | (4,575) |
| Unrealised fair value adjustment for loans and receivables | 637 |
| Fair value movement on investment property revaluation | 3,989 |
| TOTAL ADDITIONAL OPERATIONAL EXPENDITURE ITEMS | 1,396 |
| TOTAL SURPLUS | 12,761 |

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

| | 2015-25 LTP Yr 1 | 2016/17 AE | Variance to Amended LTP | Notes |
|---|---------------------|------------------|-------------------------------|-------|
| | \$000 | \$000 | \$000 | |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 1,249 | 1,714 | 461 | |
| Derivative financial assets | - | - | - | |
| Receivables and recoverables | 42,333 | 42,631 | 298 | |
| Prepayments | 12,096 | 13,433 | 1,338 | |
| Inventories | 888 | 906 | 18 | |
| Total current assets | 56,566 | 58,684 | 1,817 | |
| Non-current assets | | | | |
| Derivative financial assets | - | - | - | |
| Other financial assets | 10,473 | 11,554 | 1,481 | 1 |
| Intangibles | 28,936 | 28,578 | (358) | |
| Investment properties | 196,566 | 210,351 | 17,365 | 2 |
| Property, plant & equipment | 6,674,860 | 6,771,338 | 75,039 | 3 |
| Investment in subsidiaries | 3,809 | 3,301 | (508) | |
| Investment in associates | 19,504 | 19,469 | (35) | |
| Total non-current assets | 6,934,148 | 7,050,396 | 94,750 | |
| TOTAL ASSETS | 6,990,714 | 7,109,280 | 96,567 | |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Derivative financial liabilities | - | - | - | |
| Trade and other payables | 59,122 | 62,417 | 3,355 | 4 |
| Revenue in advance | 33,496 | 16,717 | (16,779) | 5 |
| Borrowings | 219,789 | 237,378 | 36,138 | |
| Employee benefit liabilities and provisions | 6,845 | 7,189 | 335 | |
| Provision for other liabilities | 11,790 | 7,512 | (3,818) | |
| Total current liabilities | 331,042 | 361,225 | 19,231 | |
| Non-current liabilities | | | | |
| Derivative financial liabilities | - | - | - | |
| Trade and other payables | 630 | 781 | 151 | |
| Borrowings | 196,474 | 211,769 | 5,144 | |
| Employee benefit liabilities | 1,708 | 1,583 | (115) | |
| Provisions for other liabilities | 23,945 | 18,221 | (5,714) | 6 |
| Total non-current liabilities | 222,757 | 232,230 | (685) | |
| TOTAL LIABILITIES | 553,799 | 593,455 | 18,545 | |
| EQUITY | | | | |
| Accumulated funds and retained earnings | 4,994,681 | 5,011,091 | 16,407 | |
| Revaluation reserves | 1,429,106 | 1,429,443 | 60,336 | 7 |
| Hedging reserve | 137 | - | (137) | |
| Fair value through other comprehensive income reserve | 63 | 106 | 43 | |
| Restricted funds | 12,928 | 14,901 | 1,873 | |
| TOTAL EQUITY | 6,436,915 | 6,515,440 | 78,522 | |
| TOTAL EQUITY AND LIABILITIES | 6,990,714 | 7,109,280 | 97,067 | |

Notes:

1. Projected increase in New Zealand Local Government Funding Agency borrower notes.
2. The investment property revaluation estimated for prior periods was less than the actual, in addition there is the expected movement in investment property revaluation for the 2016/17 year.
3. Budgeted increase in capital expenditure spend for the 2016/17 year less depreciation. More information can be found in the Individual Funding Impact Statements.
4. Increased spend expected in 2016/17 has resulted in a higher than 2015/16 forecast level of trade payables.
5. Movement in revenue in advance for the Housing Upgrade Project.
6. Movement in watertight homes provision
7. Variance between estimated revaluation movement for prior periods and the actual and expected revaluation movement from 2016/17.

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

| | 2015-25 LTP Yr 1 | 2016/17 AP | Variance to Amended LTP | Notes |
|--|---------------------|------------------|-------------------------------|-------|
| | \$000 | \$001 | \$000 | |
| EQUITY - OPENING BALANCES | | | | |
| Accumulated funds and retained earnings | 4,972,119 | 4,999,468 | 27,349 | |
| Revaluation reserves | 1,429,106 | 1,383,207 | (45,905) | |
| Hedging reserve | 137 | - | (137) | |
| Fair value through other comprehensive income reserve | 63 | 106 | 43 | |
| Restricted funds | 12,389 | 13,663 | 1,274 | |
| TOTAL EQUITY - Opening balance | 6,413,814 | 6,396,438 | (17,376) | |
| CHANGES IN EQUITY | | | | |
| Retained earnings | | | | |
| Net surplus for the year | 23,101 | (2,761) | (10,343) | |
| Transfer to restricted funds | (4,518) | (4,518) | - | |
| Transfer from restricted funds | 3,979 | 3,380 | (599) | |
| Hedging reserve | | | | |
| Share of other comprehensive income | - | - | - | |
| Restricted Funds | | | | |
| Transfer to retained earnings | (3,979) | (3,380) | 599 | |
| Transfer from retained earnings | 4,518 | 4,518 | - | |
| TOTAL COMPREHENSIVE INCOME | 23,101 | (2,761) | (10,343) | |
| EQUITY - CLOSING BALANCES | | | | |
| Accumulated funds and retained earnings | 4,994,681 | 5,011,091 | 16,407 | |
| Revaluation reserves | 1,429,106 | 1,410,442 | 60,336 | |
| Fair value through other comprehensive revenue and expense | 137 | 0 | (137) | |
| Restricted funds | 63 | 106 | 43 | |
| Hedging reserve | 12,928 | 14,801 | 1,873 | |
| TOTAL EQUITY - Closing balance | 6,436,915 | 6,515,440 | 78,522 | |

PROSPECTIVE STATEMENT OF CASH FLOWS

| | 2015-25 LTP Yr 1 | 2016/17 AP | Variance to Amended LTP \$000 | Notes |
|---|---------------------|------------------|--|-------|
| | \$000 | \$000 | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from rates - Council | 259,728 | 299,828 | 33,100 | |
| Receipts from rates - Greater Wellington Regional Council | 53,018 | 56,838 | 3,820 | 1 |
| Receipts from activities and other income | 136,363 | 100,082 | (36,281) | 2 |
| Receipts from grants and subsidies - operating | 36,026 | 33,017 | (3,009) | |
| Receipts from grants and subsidies - capital | 6,485 | 8,020 | 1,535 | |
| Receipts from investment property lease rentals | 9,135 | 9,335 | 200 | |
| Cash paid to suppliers and employees | (294,178) | (290,973) | (4,799) | |
| Rates paid to Greater Wellington Regional Council | (53,018) | (56,838) | (3,820) | 1 |
| Grants paid | (35,583) | (42,672) | (7,089) | |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 117,976 | 101,637 | (16,343) | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Dividends received | 11,000 | 11,112 | 112 | |
| Interest received | 637 | 650 | 13 | |
| Proceeds from sale of property, plant and equipment | 2,650 | 4,600 | 1,950 | |
| Purchase of intangibles | (11,195) | (5,102) | 6,093 | 3 |
| Purchase of property, plant and equipment | (146,857) | (185,583) | 2,774 | |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (143,765) | (154,323) | 10,942 | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| New borrowings | 239,327 | 288,703 | 37,956 | |
| Repayment of borrowings | (197,932) | (227,616) | (29,584) | |
| Interest paid on borrowings | (22,763) | (28,680) | (3,927) | |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 18,632 | 44,577 | 4,445 | |
| Net increase/(decrease) in cash and cash equivalents | (7,157) | (8,109) | (956) | |
| Cash and cash equivalents at beginning of year | 8,406 | 9,823 | 1,417 | |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 1,249 | 1,714 | 461 | |

Notes:

1. Wellington City Council collects rates on behalf of GWRC.
2. Decrease in income from activities is detailed in the Funding Impact Statements by Activity.
3. Decrease in budgeted spend on information technology-related items in 2016/17.

PROSPECTIVE STATEMENT OF CHANGES IN RESTRICTED FUNDS

| | OPENING BALANCE 2016/17 \$000 | DEPOSITS \$000 | EXPENDITURE \$000 | CLOSING BALANCE 2016/17 \$000 | Purpose |
|---|--|-------------------|----------------------|--|---|
| SPECIAL RESERVES AND FUNDS | | | | | |
| Reserve purchase and development fund | 999 | 0 | 0 | 999 | Used to purchase and develop reserve areas within the city. |
| Economic initiatives development fund | 2,976 | 3,000 | (2,415) | 3,561 | |
| Insurance reserve | 9,277 | 1,500 | (950) | 9,827 | Allows the Council to meet the uninsured portion of insurance claims |
| Total special reserves and funds | 13,252 | 4,500 | (3,365) | 14,387 | |
| TRUSTS AND BEQUESTS | | | | | |
| A Graham Trust | 3 | - | - | 3 | For the upkeep of a specific area of Karori Cemetery |
| A W Newton Bequest | 319 | 16 | (15) | 320 | For the benefit of art (Fine Arts Wellington), education (technical and other night schools) and athletics (rowing) |
| E A McMillan Estate | 6 | - | - | 6 | For the benefit of the public library |
| E Pengelly Bequest | 14 | 1 | - | 15 | For the purchase of children's books |
| F L Irvine Smith Memorial | 7 | - | - | 7 | For the purchase of books for the Khandallah Library |
| Greek NZ Memorial Association | 5 | - | - | 5 | For the maintenance and upgrade of the memorial |
| Kidsarus 2 Donation | 3 | - | - | 3 | For the purchase of children's books |
| Kirkaldie and Stains Donation | 17 | - | - | 17 | For the beautification of the BNZ site |
| QEII Memorial Book Fund | 20 | 1 | - | 21 | For the purchase of books on the Commonwealth |
| Schola Cantorum Trust | 7 | - | - | 7 | For the purchase of musical scores |
| Terawhiti Grant | 10 | - | - | 10 | To be used on library book purchases |
| Total trusts and bequests | 411 | 18 | (15) | 414 | |
| Total restricted funds | 13,663 | 4,518 | (3,380) | 14,801 | |

Indicative Financial Statements and Statement of Significant Accounting Policies

The following indicative financial statements show the 2015/16 financial year's income and expenditure, and financial position.

Balanced Budget

The Council operates a 'balanced budget'. This means that rates only fund what is required to pay for the services delivered each year.

Note that the prospective statement of comprehensive financial performance shows a surplus, mainly because revenue received for capital expenditure is required to be shown as income (operating).

So although there is a net surplus because of the accounting treatment, the council does not budget or rate to make an operating profit.

The capital funding that is the primary cause of the 'surplus' mainly comes from 3rd parties like the New Zealand Transport Agency (NZTA) for roads, and Housing New Zealand to partially fund the social housing upgrade programme.

The Capital expenditure that this pays for, is shown as changes in assets/equity and in the statement of financial position

The Funding and Financial Statements attached are based on the project and programmes outlined and are informed by the Financial Strategy and significant forecasting assumptions.

Summary of Significant Accounting Policies

Reporting entity

Wellington City Council is a territorial local authority governed by the Local Government Act 2002.

The primary objective of the Council is to provide goods or services for community or social benefits rather than making a financial return. As a defined public entity under the Public Audit Act 2001, for the purposes of financial reporting, the Council is audited by the Auditor General, and is classed as a Public Sector Public Benefit Entity.

These draft prospective financial statements are for Wellington City Council (the Council) as a separate legal entity. Consolidated prospective financial statements comprising the Council and its controlled entities (subsidiaries), joint ventures and associates have not been prepared.

Basis of preparation

Statement of compliance

The draft prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The draft prospective financial statements have been prepared to comply with Public Benefit Entity Accounting Standards (PBE Standards) for a Tier 1 entity. A Tier 1 entity is defined as being either publicly accountable or large (ie. expenses over \$30m).

The reporting period for these prospective financial statements is the 10 year period ending 30 June 2025. The prospective financial statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

Measurement base

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. For investment property, non-current assets classified as held for sale and items of property, plant and equipment which are revalued, the fair value is determined by reference to market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction.

Amounts expected to be recovered or settled more than one year after the end of the reporting period are recognised at their present value. The present value of the estimated future cash flows is calculated using applicable inflation factors and a discount rate. The inflation rates used

and the discount rate for forecast the long-term cost of borrowing are as per the "planning assumptions" which are disclosed on pages XX.

Judgements and estimations

The preparation of prospective financial statements using PBE standards requires the use of judgements, estimates and assumptions. Where material, information on the main assumptions is provided in the relevant accounting policy.

The estimates and assumptions are based on historical experience as well as other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates and these variations may be material.

The estimates and assumptions are reviewed on an ongoing basis and adjustments are made where necessary.

Judgements that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes. Significant judgements and estimations include landfill post-closure costs, asset revaluations, impairments, certain fair value calculations and provisions.

Revenue

Revenue comprises rates, revenue from operating activities, investment revenue, gains, finance and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Revenue from exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity or individual and directly receives approximately equal value in a willing arm's length transaction (primarily in the form of cash in exchange).

Revenue from non-exchange transactions

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction

Approximately equal value

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Some goods or services that Council provides (eg the sale of goods at market rates) are defined as being exchange transactions. Only a few services provided by Council operate on a

full user pays, cost recovery or breakeven basis and these are considered to be exchange transactions unless they are provided at less than active and open market prices.

Most of the services that Council provides for a fee are subsidised by rates and therefore do not constitute an approximately equal exchange. Accordingly most of Council's revenue is categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below:

Rates

Rates are set annually by resolution from the Council and relate to a particular financial year. All ratepayers are invoiced within the financial year for which the rates have been set. Rates revenue is recognised in full as at the date when rate assessment notices are sent to the ratepayers. Rates are a tax as they are payable under the Local Government Ratings Act 2002 and are therefore defined as non-exchange.

Water rates by meter are regulated in the same way as other rates and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

Operating activities

The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

Grants, subsidies and reimbursements

Grants and subsidies are recognised as revenue immediately except to the extent a liability is also recognised in respect of the same grant or subsidy. A liability is recognised when the grant or subsidy received are subject to a condition such that the Council has the obligation to return those funds received in the event that the conditions attached to them are breached. As the Council satisfies the conditions, the carrying amount of the liability is reduced and an equal amount is recognised as revenue.

Reimbursements are recognised upon entitlement, which is when conditions relating to the eligible expenditure have been fulfilled.

Development contributions

Development contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. In the event that the Council is unable to provide the service immediately, or the development contribution is refundable, the Council will recognise an asset and a liability and only recognise revenue when the Council has met the obligation for which the development contribution was charged.

Rendering of services

Revenue considered to be from exchange transactions is recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised.

Fines and penalties

Revenue from fines and penalties (eg traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Sale of goods

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment revenues

Dividends

Dividends from equity investments, other than those accounted for using equity accounting, are classified as exchange revenue and are recognised when the Council's right to receive payment has been established.

Investment property lease rentals

Lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished

Other revenue

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration, with no conditions attached, the fair value of the asset received is recognised as non-exchange revenue when the control of the asset is transferred to the Council.

Gains

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities.

Finance revenue

Interest

Interest revenue is exchange revenue and recognised using the effective interest rate method.

Donated services

The Council benefits from the voluntary service of many Wellingtonians in the delivery of its activities and services (eg beach cleaning and Otari-Wilton's Bush guiding and planting). Due to

the difficulty in determining the precise value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Expenses

Specific accounting policies for major categories of expenditure are outlined below:

Operating activities

Grants and sponsorships

Expenditure is classified as a grant or sponsorship if it results in a transfer of resources (eg cash or physical assets) to another entity or individual in return for compliance with certain conditions relating to the operating activities of that entity. It includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Council. Grants and sponsorships are distinct from donations which are discretionary or charitable gifts. Where grants and sponsorships are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled.

Finance expense

Interest

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred.

Depreciation and amortisation

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

Taxation

Council, as a local authority is only liable for income tax on the surplus or deficit for the year derived from any council controlled trading organisations and comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, plus any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the assets and liabilities, and the unused tax losses using tax rates enacted or substantively enacted at the end of the reporting period. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Goods and Services Tax (GST)

All items in the prospective financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Financial instruments

Financial instruments include financial assets (loans and receivables and financial assets at fair value through other comprehensive revenue and expense), financial liabilities (payables and borrowings) and derivative financial instruments. Financial instruments are initially recognised on trade-date at their fair value plus transaction costs. Subsequent measurement of financial instruments depends on the classification determined by the Council. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all of the risks and rewards of ownership.

Financial instruments are classified into the categories outlined below based on the purpose for which they were acquired. The classification is determined at initial recognition and re-evaluated at the end of each reporting period.

Financial assets

Financial assets are classified as loans and receivables or financial assets at fair value through other comprehensive revenue and expense.

Loans and receivables comprise cash and cash equivalents, trade and other receivables and loans and deposits.

Cash and cash equivalents comprise cash balances and call deposits with maturity dates of three months or less.

Trade and other receivables have fixed or determinable payments. They arise when the Group provides money, goods or services directly to a debtor, and has no intention of trading the receivable.

Loans and deposits include loans to other entities (including subsidiaries and associates), and bank deposits with maturity dates of more than three months.

Financial assets in this category are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for assets of a similar maturity and credit risk. Trade and other receivables due in less than 12 months are recognised at their nominal value. A provision for impairment is recognised when there is objective evidence that the asset is impaired. As there are statutory remedies to recover unpaid rates, penalties and water meter charges, no provision has been made for impairment in respect of these receivables.

Financial assets at fair value through other comprehensive revenue and expense relate to equity investments that are held by the Council for long-term strategic purposes and therefore are not intended to be sold. Financial assets at fair value through other comprehensive revenue and expense are initially recorded at fair value plus transaction costs. They are subsequently measured at fair value and changes, other than impairment losses, are recognised directly in a reserve within equity. On disposal, the cumulative fair value gain or loss previously recognised directly in other comprehensive revenue and expense is recognised within surplus or deficit.

Financial liabilities

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities with duration of more than 12 months are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised within surplus or deficit. Financial liabilities with duration of less than 12 months are recognised at their nominal value.

On disposal any gains or losses are recognised within surplus or deficit.

Derivatives

Derivative financial instruments include interest rate swaps used to hedge exposure to interest rate risk on borrowings. Derivatives are initially recognised at fair value, based on quoted market prices, and subsequently remeasured to fair value at the end of each reporting period. Fair value is determined by reference to quoted prices for similar instruments in active markets. Derivatives that do not qualify for hedge accounting are classified as non-hedged and fair value gains or losses are recognised within surplus or deficit.

Recognition of fair value gains or losses on derivatives that qualify for hedge accounting depends on the nature of the item being hedged. Where a derivative is used to hedge variability of cash flows (cash flow hedge), the effective part of any gain or loss is recognised within other comprehensive revenue and expense while the ineffective part is recognised within surplus or deficit. Gains or losses recognised in other comprehensive revenue and expense transfer to surplus or deficit in the same periods as when the hedged item affects the surplus or deficit. Where a derivative is used to hedge variability in the fair value of the Council's fixed rate borrowings (fair value hedge), the gain or loss is recognised within surplus or deficit.

As per the International Swap Dealers' Association (ISDA) master agreements, all swap payments or receipts are settled net.

Inventories

Inventories consumed in the provision of services (such as botanical supplies) are measured at the lower of cost and current replacement cost.

Inventories held for resale (such as rubbish bags), are recorded at the lower of cost (determined on a first-in, first-out basis) and net realisable value. This valuation includes allowances for slow-moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business.

Inventories held for distribution at no or nominal cost, are recorded at the lower of cost and current replacement cost.

Investment properties

Investment properties are properties which are held primarily to earn rental revenue or for capital growth or both. These include the Council's ground leases, and certain land and buildings.

Investment properties exclude those properties held for strategic purposes or to provide a social service. This includes properties which generate cash inflows as the rental revenue is incidental to the purpose for holding the property. Such properties include the Council's social housing

assets, which are held within operational assets in property, plant and equipment. Borrowing costs incurred during the construction of investment property are not capitalised.

Investment properties are measured initially at cost and subsequently measured at fair value, determined annually by an independent registered valuer. Any gain or loss arising is recognised within surplus or deficit. Investment properties are not depreciated.

Non-current assets classified as held for sale

Non-current assets held for sale are separately classified as their carrying amount will be recovered through a sale transaction rather than through continuing use. A non-current asset is classified as held for sale where:

- the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets;
- a plan to sell the asset is in place and an active programme to locate a buyer has been initiated;
- the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value;
- the sale is expected to occur within one year or beyond one year where a delay has occurred which is caused by events beyond the Group's control and there is sufficient evidence the Group remains committed to sell the asset; and
- actions required to complete the sale indicate it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.
- A non-current asset classified as held for sale is recognised at the lower of its carrying amount or fair value less costs to sell. Impairment losses on initial classification are included within surplus or deficit.

Property, plant and equipment

Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets.

Operational assets include land, the landfill post-closure asset, buildings, the Civic Centre complex, the library collection, and plant and equipment.

Restricted assets include art and cultural assets, zoo animals, restricted buildings, parks and reserves and the Town Belt. These assets provide a benefit or service to the community and in most cases cannot be disposed of because of legal or other restrictions.

Infrastructure assets include the roading network, water, waste and drainage reticulation networks, service concession assets and infrastructure land (including land under roads). Each asset type includes all items that are required for the network to function.

Vested assets are those assets where ownership and control is transferred to the Council from a third party (eg infrastructure assets constructed by developers and transferred to the Council on completion of a subdivision). Vested assets are recognised within their respective asset classes as above.

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The Council recognises these assets within these financial statements to the extent their value can be reliably measured.

Recognition

Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits of an existing asset. Costs that do not meet the criteria for capitalisation are expensed.

Measurement

Property, plant and equipment is recognised initially at cost, unless acquired for nil or nominal cost (eg vested assets), in which case the asset is recognised at fair value at the date of transfer. The initial cost of property, plant and equipment includes the purchase consideration (or the fair value in the case of vested assets), and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

Borrowing costs incurred during the construction of property, plant and equipment are not capitalised.

After initial recognition, certain classes of property, plant and equipment are revalued to fair value. Where there is no active market for an asset, fair value is determined by optimised depreciated replacement cost.

Specific measurement policies for categories of property, plant and equipment are shown below:

Operational assets

Plant and equipment and the Civic Centre complex are measured at historical cost and not revalued.

Library collections are valued at depreciated replacement cost on a three-year cycle by the Council's library staff in accordance with guidelines outlined in *Valuation Guidance for Cultural and Heritage Assets*, published by the Treasury Accounting Team, November 2002.

Land and buildings are valued at fair value on a three-year cycle by independent registered valuers.

Restricted assets

Art and cultural assets (artworks, sculptures and statues) are valued at historical cost. Zoo animals are stated at estimated replacement cost. All other restricted assets (buildings, parks and reserves and the Town Belt) were valued at fair value as at 30 June 2005 by independent registered valuers. The Council has elected to use the fair value of other restricted assets at 30 June 2005 as the deemed cost of the assets. These assets are no longer revalued. Subsequent additions have been recorded at cost.

Infrastructure assets

Infrastructure assets (roading network, water, waste and drainage reticulation assets) are valued at optimised depreciated replacement cost on a three-year cycle by independent registered valuers. Infrastructure valuations are based on current quotes from actual suppliers. As such, they include ancillary costs such as breaking through seal, traffic control and rehabilitation. Between valuations, expenditure on asset improvements is capitalised at cost.

Infrastructure land (excluding land under roads) is valued at fair value on a three-year cycle.

Land under roads, which represents the corridor of land directly under and adjacent to the Council's roading network, was valued as at 30 June 2005 at the average value of surrounding adjacent land discounted by 50% to reflect its restricted nature. The Council elected to use the fair value of land under roads at 30 June 2005 as the deemed cost of the asset. Land under roads is no longer revalued. Subsequent additions have been recorded at cost.

The service concession asset class consists of the Moa Point, Western (Karori) and Carey's Gulley waste water treatment plants which are owned by the Council but operated by Veolia Water under agreement. The assets are valued consistently with waste infrastructure network assets.

The carrying values of revalued property, plant and equipment are reviewed at the end of each reporting period to ensure that those values are not materially different to fair value.

Revaluations

The result of any revaluation of the Council's property, plant and equipment is recognised within other comprehensive revenue and expense and taken to the asset revaluation reserve. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is included in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised within surplus or deficit will be recognised firstly, within surplus or deficit up to the amount previously expensed, with any remaining increase recognised within other comprehensive revenue and expense and in the revaluation reserve for that class of property, plant and equipment.

Accumulated depreciation at the revaluation date is eliminated so that the carrying amount after revaluation equals the revalued amount.

While assumptions are used in all revaluations, the most significant of these are in infrastructure. For example where stormwater, wastewater and water supply pipes are underground, the physical deterioration and condition of assets are not visible and must therefore be estimated. Any revaluation risk is minimised by performing a combination of physical inspections and condition modelling assessments.

Impairment

The Council's assets are defined as cash generating if the primary purpose of the asset is to provide a commercial return. Non-cash generating assets are assets other than cash generating assets.

The carrying amounts of cash generating property, plant and equipment assets are reviewed at least annually to determine if there is any indication of impairment. Where an asset's, or class of assets', recoverable amount is less than its carrying amount it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported within surplus or deficit, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.

The carrying amounts of non-cash generating property, plant and equipment assets are reviewed at least annually to determine if there is any indication of impairment. Where an asset's, or class of assets', recoverable service amount is less than its carrying amount it will be reported at its recoverable service amount and an impairment loss will be recognised. The recoverable service amount is the higher of an item's fair value less costs to sell and value in use. A non-cash generating asset's value in use is the present value of the asset's remaining service potential. Losses resulting from impairment are reported within surplus or deficit, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.

Disposal

Gains and losses arising from the disposal of property, plant and equipment are recognised within surplus or deficit in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

Work in progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

Depreciation

Depreciation is provided on all property, plant and equipment, with certain exceptions. The exceptions are land, restricted assets other than buildings, and assets under construction (work in progress). Depreciation is calculated on a straight-line basis, to allocate the cost or value of the asset (less any assessed residual value) over its estimated useful life. The estimated useful lives and depreciation rate ranges of the major classes of property, plant and equipment are as follows:

| Asset Category | Useful Life (years) | Depreciation Rate |
|---|---------------------|-------------------|
| Land | unlimited | not depreciated |
| Buildings | 1 ~ 75 | 1.33 ~ 100% |
| Civic Centre Complex | 10 ~ 78 | 1.28 ~ 10% |
| Plant and equipment | 3 ~ 100 | 1 ~ 33.3% |
| Library collection | 3 ~ 11 | 9.1 ~ 33.3% |
| Restricted assets (excluding buildings) | unlimited | not depreciated |
| Infrastructure assets: | | |
| Land (including land under roads) | unlimited | not depreciated |
| Roading: | | |
| Formation / earthworks | unlimited | not depreciated |
| Pavement | 13 ~ 40 | 2.5 ~ 7.7% |
| Traffic islands | 80 | 1.25% |
| Bridges and tunnels | 3 ~ 175 | 0.57 ~ 33.3% |
| Drainage | 60 ~ 130 | 0.8% ~ 130% |
| Retaining walls | 30 ~ 75 | 1.33 ~ 3.33% |
| Pedestrian walkways | 10 ~ 50 | 2 ~ 10% |
| Pedestrian furniture | 10 ~ 25 | 4 ~ 10% |
| Barriers (handrails, guardrails) | 25 | 4% |
| Lighting | 3 ~ 50 | 2 ~ 33.3% |
| Cycleway network | 25 | 4% |
| Parking equipment | 8 ~ 10 | 10 ~ 12.5% |
| Passenger transport facilities | 25 | 4% |
| Traffic infrastructure | 5 ~ 40 | 2.5 ~ 20% |
| Drainage, waste and water: | | |
| Pipework | 50 ~ 130 | 0.77 ~ 2% |
| Fittings | 25 ~ 110 | 0.91 ~ 4% |
| Water pump stations | 20 ~ 100 | 1 ~ 5% |
| Water reservoirs | 25 ~ 100 | 1 ~ 4% |
| Equipment | 20 | 5% |
| Sewer pump stations | 20 ~ 80 | 1.25 ~ 5% |
| Tunnels | 3 ~ 175 | 0.57 ~ 33.3% |
| Treatment plants | 3 ~ 100 | 1 ~ 33.3% |

The landfill post closure asset is depreciated over the life of the landfill based on the capacity of the landfill.

Variation in the range of lives for infrastructural assets is due to these assets being managed and depreciated by individual component rather than as a whole asset.

Intangible assets

Intangible assets predominantly comprise computer software and carbon credits. They are recorded at cost less any subsequent amortisation and impairment losses.

Computer software has a finite economic life and amortisation is charged to surplus or deficit on a straight-line basis over the estimated useful life of the asset. Typically, the estimated useful lives and depreciation rate range of these assets are as follows:

| | | |
|-------------------|--------------|----------------|
| Computer software | 1 to 7 years | 14.29% to 100% |
|-------------------|--------------|----------------|

Carbon credits comprise either allocations of emission allowances granted by the Government related to forestry assets or units purchased in the market to cover liabilities associated with landfill operations. Carbon credits are recognised at cost at the date of allocation or purchase.

Gains and losses arising from disposal of intangible assets are recognised within surplus or deficit in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported within surplus or deficit.

Research and Development

Research costs are expensed as incurred. Development expenditure on individual projects is capitalised and recognised as an asset when it meets the definition and criteria for capitalisation as an asset and it is probable that the Council will receive future economic benefits from the asset. Assets which have finite lives are stated at cost less accumulated amortisation and are amortised on a straight-line basis over their useful lives.

Leases

Operating leases as lessee

Leases where the lessor retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under operating leases are recognised within surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised within surplus or deficit over the term of the lease as they form an integral part of the total lease payment.

Operating leases as lessor

The Group leases investment properties and a portion of land and buildings. Rental revenue is recognised on a straight-line basis over the lease term.

Finance leases

Finance leases transfer to the Group (as lessee) substantially all the risks and rewards of ownership of the leased asset. Initial recognition of a finance lease results in an asset and

liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments.

The finance charge is released to surplus or deficit over the lease period and the capitalised values are amortised over the shorter of the lease term and the useful life of the leased item.

Employee benefit liabilities

A provision for employee benefit liabilities (holiday leave, long service leave and retirement gratuities) is recognised as a liability when benefits are earned but not paid.

Holiday leave

Holiday leave includes: annual leave, long service leave, statutory time off in lieu and ordinary time off in lieu. Annual leave is calculated on an actual entitlement basis in accordance with section 21(2) of the Holidays Act 2003.

Retirement gratuities

Retirement gratuities are calculated on an actuarial basis based on the likely future entitlements accruing to employees, after taking into account years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and other contractual entitlements information.

Other contractual entitlements

Other contractual entitlements include termination benefits, which are recognised within surplus or deficit only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Provisions

Provisions are recognised for future liabilities of uncertain timing or amount when there is a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are measured at the expenditure expected to be required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Landfill post-closure costs

The Council, as operator of the Southern Landfill, has a legal obligation to apply for resource consents when the landfill or landfill stages reach the end of their operating life and are to be closed. These resource consents will set out the closure requirements and the requirements for ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises, which is when each stage of the landfill is commissioned and refuse begins to accumulate.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including known changes to legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure including final cover application and vegetation; incremental drainage control

features; completing facilities for leachate collection and monitoring; completing facilities for water quality monitoring; completing facilities for monitoring and recovery of gas.

Amounts provided for landfill post-closure are capitalised to the landfill asset. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

The Council has a 21.5% joint venture interest in the Spicer Valley landfill. The Council's provision for landfill post-closure costs includes the Council's proportionate share of the Spicer Valley landfill provision for post-closure costs.

ACC partnership programme

The Council is an Accredited Employer under the ACC Partnership Programme. As such the Council accepts the management and financial responsibility of our employee work-related injuries. From 1 April 2009 the Council changed its agreement with ACC from Full Self Cover (FSC) to Partnership Discount Plan (PDP). Under the PDP option, the Council is responsible for managing work related injury claims for a two-year period only and transfer ongoing claims to ACC at the end of the two-year claim management period with no further liability. Under the ACC Partnership Programme the Council is effectively providing accident insurance to employees and this is accounted for as an insurance contract. The value of this liability represents the expected future payments in relation to work-related injuries occurring up to the end of the reporting period for which the Council has responsibility under the terms of the Partnership Programme.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the contract holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. The Council measures the fair value of a financial guarantee by determining the probability of the guarantee being called by the holder. The probability factor is then applied to the principal and the outcome discounted to present value.

Financial guarantees are subsequently measured at the higher of the Council's best estimate of the obligation or the amount initially recognised less any amortisation.

Net Assets/Equity

Net assets or equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Net assets or equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within the Council and the Group.

The components of net assets or equity are accumulated funds and retained earnings, revaluation reserves, a hedging reserve, a fair value through other comprehensive revenue and expense reserve and restricted funds (special funds, reserve funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use, whether under statute or accepted as binding by the Council, and that may not be revised without reference to the Courts or third parties. Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

Prospective Statement of Cash Flows

Cash and cash equivalents for the purposes of the cash flow statement comprises bank balances, cash on hand and short term deposits with a maturity of three months or less. The prospective statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all non-financial revenue sources of the Council and the Group and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets and investment revenue. Financing activities relate to activities that change the equity and debt capital structure of the Council and Group and financing costs.

Related parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include members of the Group and key management personnel. Key management personnel include the Mayor and Councillors as Directors, the Chief Executive and all members of the Executive Leadership Team being key advisors to the Directors and Chief Executive.

The Mayor and Councillors are considered Directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration comprises any money, consideration or benefit received or receivable or otherwise made available, directly or indirectly, to a Director during the reporting period. Directors' remuneration does not include reimbursement of authorised work expenses or the provision of work-related equipment such as cellphones and laptops.

Cost allocation

The Council has derived the cost of service for each significant activity (as reported within the Statements of Service Performance). Direct costs are expensed directly to the activity. Indirect costs relate to the overall costs of running the organisation and include staff time, office space and information technology costs. These indirect costs are allocated as overheads across all activities.

Comparatives

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed between periods;
- where the Council has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required; and
- where there has been a change of accounting policy.

Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS 42)

The Council has complied with PBE FRS 42 in the preparation of these draft prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

(i) Description of the nature of the entity's current operation and its principal activities

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this Long-term Plan.

(ii) Purpose for which the prospective financial statements are prepared

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 1 year and include them within the Long-term Plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council. Prospective financial statements are revised annually to reflect updated assumptions and costs.

(iii) Bases for assumptions, risks and uncertainties

The financial information has been prepared on the basis of best estimate assumptions as the future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within this Long-term Plan.

(iv) Cautionary Note

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

(iv) Other Disclosures

These prospective financial statements were adopted as part of the assumptions that form the 2016/17 Annual Plan for issue on 29 July 2016 by Wellington City Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. The Annual Plan is prospective and as such contains no actual operating results.

2016/17 AP PROJECTS AND PROGRAMMES - OPERATIONAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP |
|----------|------------------------------------|--|--|--------------------|---|------------|---|----------------|------------------|------------|
| 1 | Governance | 1.1 | Governance, information and engagement | 1.1.1 | City governance and engagement | C530 | Annual Planning | Expense | 1,109 | 1,422 |
| | | | | | | C532 | Policy | Expense | 1,478 | 1,333 |
| | | | | | | C534 | Committee & Council Process | Expense | 5,810 | 6,661 |
| | | | | | | | | Income | (12) | (383) |
| | | | | | | C582 | Strategic Planning | Expense | 994 | 941 |
| | | | | | | C590 | Tawa Comm Bnd - Discretionary | Expense | 11 | 11 |
| | | | | | | C516 | Smart Capital - Marketing | Expense | 539 | 541 |
| | | | | | | | City governance and engagement Total | | 9,888 | 10,524 |
| | | | | 1.1.2 | Civic information | C334 | WCC City Service Centre | Expense | 983 | 1,043 |
| | | | | | | | | Income | (117) | (119) |
| | | | | | | C338 | Call Centre SLA | Expense | 2,255 | 2,278 |
| | | | | | | | | Income | (12) | (12) |
| | | | | | | C340 | Valuation Services Contract | Expense | 680 | 728 |
| | | | | | | Income | (184) | (187) | | |
| | | | | C355 | Lands Information | Expense | 1,517 | 1,493 | | |
| | | | Civic information Total | | 5,122 | 5,223 | | | | |
| | | 1.1.3 | City archives | C373 | Archives | Expense | 1,758 | 1,967 | | |
| | | | | Income | (182) | (186) | | | | |
| | City archives Total | | | | 1,575 | 1,781 | | | | |
| | | Governance, information and engagement Total | | 16,586 | 17,528 | | | | | |
| 1.2 | Maori and Mana Whenua partnerships | 1.2.1 | Maori and Mana Whenua partnerships | C529 | Funding agreements – Maori | Expense | 203 | 193 | | |
| | | | | C583 | Maori Engagement | Expense | 79 | 103 | | |
| | | | Maori and Mana Whenua partnerships Total | | 281 | 295 | | | | |
| | | | Maori and Mana Whenua partnerships Total | | 281 | 295 | | | | |
| | Governance Total | | 16,867 | 17,823 | | | | | | |
| 2 | Environment | 2.1 | Gardens, beaches and green open spaces | 2.1.1 | Local parks and open spaces | A004 | Parks and Reserves Planning | Expense | 646 | 641 |
| | | | | | | A011 | Reserves Unplanned Maintenance | Expense | 171 | 181 |
| | | | | | | C515 | Turf Management | Expense | 1,184 | 1,173 |
| | | | | | | | | Income | (8) | (8) |
| | | | | | | C517 | Park Furniture Maintenance | Expense | 1,637 | 1,645 |
| | | | | | | C518 | Maint- Park/Build/Infrastruct | Expense | 1,800 | 1,889 |
| | | | | | | | | Income | (199) | (203) |
| | | | | | | C563 | Horticultural Operations | Expense | 1,900 | 1,897 |
| | | | | | | | | Income | (30) | (31) |
| | | | | | | C564 | Arboricultural Operations | Expense | 1,417 | 1,365 |
| | | | | | | | | Income | (178) | (181) |
| | | | | | | | Local parks and open spaces Total | | 8,341 | 8,369 |
| | | | | 2.1.2 | Botanical gardens | C560 | Botanic Gardens Services | Expense | 4,752 | 4,724 |
| | | | | | | | | Income | (387) | (394) |
| | | | | | | | Botanical gardens Total | | 4,365 | 4,330 |
| | | | | 2.1.3 | Beaches and coast operations | C298 | Coastal Operations | Expense | 1,409 | 1,283 |
| | | | | | | | | Income | (51) | (52) |
| | | | | | | | Beaches and coast operations Total | | 1,358 | 1,231 |
| | | | | 2.1.4 | Roads open spaces | C006 | Open Space Vegetation Mgmt | Expense | 0 | 0 |
| | | | | | | C006A | Road Corridor Growth Control | Expense | 1,293 | 1,240 |
| | | | | | | | | Income | (411) | (332) |
| | | | | | | C289 | Street Cleaning | Expense | 6,854 | 7,472 |
| | | | | | | | | Income | (284) | (300) |
| | | | | | | | Roads open spaces Total | | 7,451 | 8,079 |
| | | | | 2.1.5 | Town belts | A008 | Hazardous Trees Removal | Expense | 446 | 458 |
| | | | | | | | | Income | (6) | (6) |
| | | | | | | C514 | Town Belts Planting | Expense | 707 | 708 |
| | | | | | | C524 | Townbelt/Reserves Management | Expense | 3,511 | 3,557 |
| | | | | | | | | Income | (244) | (249) |
| | | | | | | | Town belts Total | | 4,415 | 4,467 |
| | | | | 2.1.6 | Community environmental initiatives | C513 | Community greening initiatives | Expense | 623 | 658 |
| | | | | | | C652 | Environmental Grants Pool | Expense | 120 | 100 |
| | | | | | | | Community environmental initiatives Total | | 743 | 757 |
| | | | | 2.1.7 | Walkways | C561 | Walkway Maintenance | Expense | 582 | 604 |
| | | | | | | | Walkways Total | | 582 | 604 |
| | | | | 2.1.8 | Biodiversity (Pest management) | C509 | Weeds & Hazardous Trees Monit | Expense | 1,366 | 1,294 |
| | | | | | | | | Income | (38) | (39) |
| | | | | | | C510 | Animal Pest Management | Expense | 339 | 530 |
| | | | | | | | Biodiversity (Pest management) Total | | 1,666 | 1,785 |
| | | | | 2.1.9 | Waterfront Public Space | C701 | Waterfront Public Space Management | Expense | 1,737 | 4,856 |
| | | | | | | | | Income | (301) | (307) |
| | | | | | | | Waterfront Public Space Total | | 1,436 | 4,549 |
| | | | | | Gardens, beaches and green open spaces Total | | 30,357 | 34,172 | | |
| | | 2.2 | Waste reduction and energy conservation | 2.2.1 | Waste minimisation, disposal and recycling management | C076 | Landfill Operations & Maint | Expense | 3,396 | 3,747 |
| | | | | | | | | Income | (5,151) | (5,469) |
| | | | | | | C078A | Suburban Refuse Collection | Expense | 2,856 | 2,935 |
| | | | | | | | | Income | (3,362) | (3,392) |
| | | | | | | C079 | Domestic Recycling | Expense | 4,676 | 4,717 |
| | | | | | | | | Income | (3,304) | (3,519) |
| | | | | | | C391 | Waste Min/misation Info | Expense | 1,817 | 1,776 |
| | | | | | | | | Income | (1,013) | (880) |
| | | | | | | C558 | Litter Enforcement | Expense | 92 | 92 |
| | | | | | | | Waste minimisation, disposal and recycling management Total | | 7 | 8 |

2016/17 AP PROJECTS AND PROGRAMMES - OPERATIONAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP |
|----------|----------------------|----------|--------------------------------------|--------------------|--|------------|---|----------------|------------------|----------------|
| | | | | 2.2.2 | Closed landfills aftercare | C077 | Closed Landfill Gas Migr Monit | Expense | 522 | 414 |
| | | | | | Closed landfills aftercare Total | | | | 522 | 414 |
| | | | | 2.2.3 | Energy efficiency and conservation | C662 | Smart Energy | Expense | 282 | 416 |
| | | | | | | | | Income | (46) | (60) |
| | | | | | Energy efficiency and conservation Total | | | | 236 | 356 |
| | | | | | Waste reduction and energy conservation Total | | | | 765 | 777 |
| | | 2.3 | Water | 2.3.1 | Water network | C112 | Water - Meter Reading | Expense | 134 | 153 |
| | | | | | | C113 | Water - Network Maintenance | Expense | 3,894 | 4,053 |
| | | | | | | C412 | Water - Water Connections | Expense | 0 | 0 |
| | | | | | | | | Income | (35) | (35) |
| | | | | | | C462 | Water - Pump Stations Maintenance / Ops | Expense | 960 | 1,028 |
| | | | | | | C463 | Water - Asset Stewardship | Expense | 17,155 | 17,623 |
| | | | | | | C536 | Water - Reservoir / Dam Maintenance | Expense | 103 | 177 |
| | | | | | | C547 | Water - Monitoring & Investigation | Expense | 531 | 807 |
| | | | | | | C671 | Water - Asset Management | Expense | 618 | 717 |
| | | | | | | | | | 23,360 | 24,322 |
| | | | | 2.3.2 | Water collection and treatment | C115 | Water - Bulk Water Purchase | Expense | 14,932 | 15,934 |
| | | | | | Water collection and treatment Total | | | | 14,932 | 15,934 |
| | | | | | Water Total | | | | 38,292 | 40,256 |
| | | 2.4 | Wastewater | 2.4.1 | Sewage collection and disposal network | A041 | Wastewater - Asset Stewardship | Expense | 13,748 | 13,959 |
| | | | | | | C084 | Wastewater - Trade Waste Monitoring & Investigation | Expense | (615) | (627) |
| | | | | | | C086A | Wastewater - Network Maintenance | Expense | 222 | 284 |
| | | | | | | C497 | Wastewater - Asset Management | Expense | 2,226 | 2,391 |
| | | | | | | C501 | Wastewater - Monitoring & Investigation | Expense | 561 | 655 |
| | | | | | | C502 | Wastewater - Pump Station Maintenance / Ops | Expense | 1,289 | 1,569 |
| | | | | | | | | Income | 1,111 | 1,200 |
| | | | | | | | | | 18,542 | 19,431 |
| | | | | 2.4.2 | Sewage treatment | C087 | Wastewater - Treatment Plants | Expense | 20,779 | 21,607 |
| | | | | | | C347 | Sewerage Disposal | Expense | 1,875 | 1,933 |
| | | | | | | | | Income | (618) | (618) |
| | | | | | Sewage treatment Total | | | | 22,036 | 22,923 |
| | | | | | Wastewater Total | | | | 40,578 | 42,354 |
| | | 2.5 | Stormwater | 2.5.1 | Stormwater management | A041A | Stormwater - Asset Stewardship | Expense | 12,984 | 13,047 |
| | | | | | | C086C | Stormwater - Network Maintenance | Expense | 1,966 | 2,227 |
| | | | | | | C090 | Stormwater - Monitoring & Investigation | Expense | 721 | 834 |
| | | | | | | | | Income | (10) | (10) |
| | | | | | | C198 | Stormwater - Asset Management | Expense | 894 | 946 |
| | | | | | | C677 | Drainage Maintenance | Expense | 984 | 1,050 |
| | | | | | | | | Income | (136) | (125) |
| | | | | | | C689 | Stormwater - Pump Station Maintenance / Ops | Expense | 38 | 43 |
| | | | | | | | | | 17,442 | 18,013 |
| | | | | | Stormwater Total | | | | 17,442 | 18,013 |
| | | 2.6 | Conservation attractions | 2.6.1 | Conservation visitor attractions | A288 | Karori Sanctuary | Expense | 1,490 | 1,807 |
| | | | | | | C046 | Wellington Zoo Trust | Expense | 4,969 | 5,182 |
| | | | | | | C426 | Marine Conservation Centre | Expense | 0 | 0 |
| | | | | | | | | | 6,459 | 6,989 |
| | | | | | Conservation visitor attractions Total | | | | 6,459 | 6,989 |
| | | | | | Environment Total | | | | 133,893 | 142,561 |
| 3 | Economic Development | 3.1 | City promotions and business support | 3.1.1 | WREDA | C105 | Positively Wellington Tourism | Expense | 5,630 | 5,630 |
| | | | | | | C581 | Events Fund | Expense | 4,723 | 4,273 |
| | | | | | | C686 | Wellington Venues | Expense | 18,596 | 18,207 |
| | | | | | | | | Income | (14,365) | (14,369) |
| | | | | | | C690 | Destination Wellington | Expense | 1,775 | 1,775 |
| | | | | | | C695 | City Innovation | Expense | 836 | 937 |
| | | | | | | | | | 17,195 | 16,453 |
| | | | | 3.1.2 | Wellington convention centre | C703 | Wellington Convention Centre | Expense | 0 | 1,051 |
| | | | | | | | | Income | 0 | (1,051) |
| | | | | | Wellington convention centre Total | | | | 0 | 0 |
| | | | | 3.1.3 | Retail support (free weekend parking) | C105B | CBD Weekend Parking | Expense | 1,356 | 1,357 |
| | | | | | Retail support (free weekend parking) Total | | | | 1,356 | 1,357 |
| | | | | 3.1.4 | WEID, economic growth and economic grants | C647 | Economic Development Grant Pool | Expense | 50 | 50 |
| | | | | | | C693 | Economic Growth Strategy | Expense | 549 | 536 |
| | | | | | | C696 | City Growth Fund | Expense | 3,000 | 2,415 |
| | | | | | WEID, economic growth and economic grants Total | | | | 3,599 | 3,001 |
| | | | | 3.1.5 | Major economic projects | C704 | Airport Runway Extension | Expense | 0 | 0 |
| | | | | | | C705 | Indoor Arena | Expense | 0 | 0 |
| | | | | | | C709 | Westpac Stadium | Expense | 0 | 5,000 |
| | | | | | Major economic projects Total | | | | 0 | 5,000 |
| | | | | 3.1.6 | Regional and external relations | C145 | International Relations | Expense | 572 | 661 |
| | | | | | Regional and external relations Total | | | | 572 | 661 |
| | | | | 3.1.7 | Business improvement districts | C645 | Marsden Village | Expense | 14 | 14 |
| | | | | | | C698 | Miramar BID | Expense | 100 | 180 |
| | | | | | Business improvement districts Total | | | | 114 | 194 |
| | | | | | City promotions and business support Total | | | | 22,836 | 26,666 |
| | | | | | Economic Development Total | | | | 22,836 | 26,666 |

2016/17 AP PROJECTS AND PROGRAMMES - OPERATIONAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP | | | | | | |
|--|--------------------------------|----------|---------------------------------|------------------------------------|--|-----------------|--------------------------------------|----------------|----------------------------------|------------|----------------------------------|---------|---------|---------|-------|--------|
| 4 | Cultural Wellbeing | 4.1 | Arts and Cultural Activities | 4.1.1 | Galleries and museums (WMT) | C102 | Wellington Museums Trust | Expense | 8,708 | 9,008 | | | | | | |
| | | | | | | C702 | Museum of Conflict | Expense | 500 | 500 | | | | | | |
| | | | | | | C707 | Film Museum | Expense | 0 | 77 | | | | | | |
| | | | | | | | | Income | 0 | (77) | | | | | | |
| | | | | | Galleries and museums (WMT) Total | | | | | | | 9,208 | 9,508 | | | |
| | | | | 4.1.2 | Visitor attractions (Te Papa/Carter Observatory) | C140 | Te Papa Funding | Expense | 2,250 | 2,230 | | | | | | |
| | | | | | | C659 | Carter Observatory | Expense | 590 | 667 | | | | | | |
| | | | | | Visitor attractions (Te Papa/Carter Observatory) Total | | | | | | | 2,840 | 2,917 | | | |
| | | | | 4.1.3 | Arts and cultural festivals | C130E | Community Events Programme | Expense | 2,670 | 3,211 | | | | | | |
| | | | | | | | | Income | (410) | (417) | | | | | | |
| | | | | | | C587 | Neighbour's Day | Expense | 22 | 22 | | | | | | |
| | | | | Arts and cultural festivals Total | | | | | | | 2,283 | 2,815 | | | | |
| | | | | 4.1.4 | Cultural grants | C661 | Cultural Grants Pool | Expense | 858 | 1,161 | | | | | | |
| | | | | | Cultural grants Total | | | | | | | 858 | 1,161 | | | |
| | | | | 4.1.5 | Access and support for community arts | C101A | Wgtn Conv Cntr Comm Subsidy | Expense | 200 | 200 | | | | | | |
| | | | | | | C130K | Community Arts Programme | Expense | 459 | 567 | | | | | | |
| | | | | | | | | Income | (62) | (63) | | | | | | |
| | | | | | Access and support for community arts Total | | | | | | | 597 | 704 | | | |
| | | | | 4.1.6 | Arts partnerships | C422 | NZSO Subsidy | Expense | 216 | 216 | | | | | | |
| | | | | | | C805 | Tol Poneke Arts Centre | Expense | 1,243 | 1,394 | | | | | | |
| | | | | | | | | Income | (515) | (525) | | | | | | |
| | | | | | | C670 | Public Art Fund | Expense | 393 | 442 | | | | | | |
| | | | | | | C710 | New Zealand Ballet | Expense | 153 | 154 | | | | | | |
| | | | | | | C713 | Orchestra Wellington | Expense | 272 | 275 | | | | | | |
| | | | | | Arts partnerships Total | | | | | | | 1,761 | 1,956 | | | |
| | | | | 4.1.7 | Regional Amenities Fund | C691 | Regional Amenities Fund | Expense | 609 | 609 | | | | | | |
| | | | | | Regional Amenities Fund Total | | | | | | | 609 | 609 | | | |
| | | | | Arts and Cultural Activities Total | | | | | | | | 18,155 | 19,670 | | | |
| | | | | Cultural Wellbeing Total | | | | | | | | | 18,155 | 19,670 | | |
| | | | | 5 | Social and Recreation | 5.1 | Recreation promotion and support | 5.1.1 | Swimming pools | C034 | Swimming Pools Operations | Expense | 20,476 | 20,924 | | |
| | | | | | | | | | | | | Income | (7,587) | (7,551) | | |
| | | | | | | | | | Swimming pools Total | | | | | | | 12,889 |
| | | | | | | | | 5.1.2 | Sportsfields | C562 | Sportsfields Operations | Expense | 3,405 | 3,514 | | |
| | | | Income | | | | | | (295) | (301) | | | | | | |
| Sportsfields Total | | | | | | | | | | | | 3,110 | 3,213 | | | |
| 5.1.3 | Sportsfields (Synthetic) | C682 | Synthetic Turf Sport Operations | | | | | Expense | 1,354 | 1,353 | | | | | | |
| | | | | | | | | Income | (524) | (534) | | | | | | |
| | Sportsfields (Synthetic) Total | | | | | | | | | | 830 | 819 | | | | |
| 5.1.4 | Recreation centres | C037 | Recreation Centres | | | | | Expense | 2,722 | 2,713 | | | | | | |
| | | | | | | | | Income | (753) | (767) | | | | | | |
| | | C569 | ASB Sports Centre | | | | | Expense | 6,980 | 7,285 | | | | | | |
| | | | | | | | | Income | (1,904) | (1,940) | | | | | | |
| | Recreation centres Total | | | | | | | | | | 7,046 | 7,290 | | | | |
| 5.1.5 | Recreation partnerships | C008 | Basin Reserve Trust | | | | | Expense | 1,043 | 1,062 | | | | | | |
| | | C384 | Recreational NZ Academy Sport | | | | | Expense | 45 | 45 | | | | | | |
| | Recreation partnerships Total | | | | | | | | | | 1,088 | 1,107 | | | | |
| 5.1.6 | Playgrounds | C559 | PlayGnd & Skate Facility Mtnc | | | | | Expense | 737 | 795 | | | | | | |
| | Playgrounds Total | | | | | | | | | | 737 | 795 | | | | |
| 5.1.7 | Marinas | C418 | Marina Operations | | | | | Expense | 602 | 673 | | | | | | |
| | | | | | | | | Income | (592) | (603) | | | | | | |
| | Marinas Total | | | | | | | | | | 10 | 70 | | | | |
| 5.1.8 | Golf course | C688 | Municipal Golf Course | | | | | Expense | 270 | 260 | | | | | | |
| | | | | | | | | Income | (77) | (92) | | | | | | |
| | Golf course Total | | | | | | | | | | 193 | 169 | | | | |
| 5.1.9 | Recreation programmes | C130D | Recreation Programmes | | | | | Expense | 282 | 280 | | | | | | |
| | | | | | | | | Income | (15) | (15) | | | | | | |
| | Recreation programmes Total | | | | | | | | | | 267 | 264 | | | | |
| Recreation promotion and support Total | | | | | | | | | | | | 26,169 | 27,101 | | | |
| 5.2 | Community support | 5.2 | Community support | | | | | 5.2.1 | Libraries | C050 | Library Network - Wide Operation | Expense | 14,840 | 16,028 | | |
| | | | | | | | | | | C467 | Branch Libraries | Expense | (982) | (869) | | |
| | | | | | | | | | | | | Income | 6,003 | 6,467 | | |
| | | | | | | | | | | | | Income | (608) | (615) | | |
| | | | | | | Libraries Total | | | | | | | 19,253 | 21,010 | | |
| | | | | | | 5.2.2 | Access support (Leisure Card) | C419 | Passport to Leisure Programme | Expense | 105 | 102 | | | | |
| | | | | | | | Access support (Leisure Card) Total | | | | | | | 105 | 102 | |
| | | | | | | 5.2.3 | Community advocacy | C130G | Community Advice & Information | Expense | 1,279 | 1,219 | | | | |
| | | | | | | | Community advocacy Total | | | | | | | 1,279 | 1,219 | |
| | | | | | | 5.2.4 | Grants (Social and Recreation) | C130A | Community Grants | Expense | 215 | 262 | | | | |
| | | | | | | | | C637 | Support for Wgtn Homeless | Expense | 142 | 140 | | | | |
| | | | | | | | | C678 | Social & Recreational Grant Pool | Expense | 3,287 | 3,822 | | | | |
| | | | | | | | | | | Income | 0 | 0 | | | | |
| | | | | | | | Grants (Social and Recreation) Total | | | | | | | 3,643 | 4,224 | |
| 5.2.5 | Housing | C125 | Housing Operations and Mtce | | | Expense | 23,741 | 23,366 | | | | | | | | |
| | | | | | | Income | (21,635) | (18,261) | | | | | | | | |
| | | C680 | Housing Upgrade Project | | | Expense | 1,799 | 1,799 | | | | | | | | |
| | | | | | | Income | (21,637) | (19,017) | | | | | | | | |
| Housing Total | | | | | | | | (17,731) | (12,173) | | | | | | | |

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2016/17 AP PROJECTS AND PROGRAMMES - OPERATIONAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP |
|----------|---------------|----------|-------------------------|--------------------|-------------------------|---|---|----------------|------------------|------------|
| | | | | | | C708 | Cable Car | Expense | 0 | 1,005 |
| | | | | | | C712 | Public Transport Trials | Expense | 275 | 0 |
| | | | | | | Passenger transport network Total | | | 770 | 1,594 |
| | | | | | | 7.1.5 | Pedestrian network | Expense | 380 | 441 |
| | | | | | | C307 | Street Furniture Maintenance | Income | (6) | (6) |
| | | | | | | C377 | Footpaths Asset Stewardship | Expense | 5,175 | 5,571 |
| | | | | | | C448 | Pedestrian Network Maintenance | Expense | 842 | 882 |
| | | | | | | | | Income | (33) | (34) |
| | | | | | | C692 | Ped Network Structures Maint | Expense | 171 | 167 |
| | | | | | | Pedestrian network Total | | | 6,509 | 7,021 |
| | | | | | | 7.1.6 | Network-wide control and management | Expense | 1,282 | 1,389 |
| | | | | | | A026 | Traffic Signals System Maintenance | Income | (548) | (590) |
| | | | | | | A153A | Traffic Control Asset Stewards | Expense | 2,502 | 2,882 |
| | | | | | | | | Income | (33) | (88) |
| | | | | | | C026C | Road Marking Maintenance | Expense | 948 | 1,289 |
| | | | | | | | | Income | (402) | (551) |
| | | | | | | C452 | Traffic Signs Maintenance | Expense | 559 | 571 |
| | | | | | | | | Income | (197) | (204) |
| | | | | | | C481 | Network Activity Management | Expense | 1,308 | 1,394 |
| | | | | | | | | Income | (874) | (891) |
| | | | | | | Network-wide control and management Total | | | 4,746 | 5,201 |
| | | | | | | 7.1.7 | Road safety | Expense | 3,064 | 3,059 |
| | | | | | | C026B | Street Lighting Maintenance | Income | (1,265) | (1,319) |
| | | | | | | C450 | Transport Education & Promotion | Expense | 631 | 772 |
| | | | | | | | | Income | (227) | (231) |
| | | | | | | C494 | Fences & Guardrails Maint | Expense | 394 | 397 |
| | | | | | | | | Income | (108) | (104) |
| | | | | | | C575 | Safety Asset Stewardship | Expense | 2,006 | 2,125 |
| | | | | | | Road safety Total | | | 4,496 | 4,698 |
| | | | | | | Transport Total | | | 40,524 | 45,114 |
| | | 7.2 | Parking | 7.2.1 | Parking | C290 | Parking Services & Enforcement | Expense | 12,382 | 12,639 |
| | | | | | | | | Income | (26,151) | (27,124) |
| | | | | | | C378 | Waterfront Parking Services | Expense | 1,022 | 1,286 |
| | | | | | | | | Income | (1,304) | (1,171) |
| | | | | | | Parking Total | | | (14,051) | (14,370) |
| | | | | | | Parking Total | | | (14,051) | (14,370) |
| | | | | | | Transport Total | | | 26,473 | 30,744 |
| 10 | Council | 10.1 | Organisational Projects | 10.1.1 | Organisational | A312 | Waterfront Commercial Property Services | Expense | 6,609 | 3,418 |
| | | | | | | | | Income | (2,600) | (2,670) |
| | | | | | | C332 | Commercial Property Man & Serv | Expense | 3,956 | 3,910 |
| | | | | | | | | Income | (2,855) | (2,910) |
| | | | | | | C333 | Civic Centre Facilities Managt | Expense | 467 | 216 |
| | | | | | | | | Income | (212) | (216) |
| | | | | | | C374 | Information Services SLA | Expense | 4,956 | 1,709 |
| | | | | | | | | Income | (71) | (1,708) |
| | | | | | | C388 | NZTA Income on Capex Work | Income | (12,668) | (14,868) |
| | | | | | | C700 | Waterfront Utilities Management | Expense | 440 | 428 |
| | | | | | | | | Income | (416) | (423) |
| | | | | | | ORG | Organisation | Expense | 4,467 | 8,451 |
| | | | | | | | | Income | (285,291) | (312,700) |
| | | | | | | Organisational Total | | | (283,618) | (317,364) |
| | | | | | | Organisational Projects Total | | | (283,618) | (317,364) |
| | | | | | | Council Total | | | (283,618) | (317,364) |

2016/17 AP PROJECTS AND PROGRAMMES - CAPITAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP |
|----------|-----------------------|----------|---|--------------------|---|------------|---|----------------|------------------|------------|
| 1 | Governance | 1.1 | Governance, information and engagement | 1.1.1 | City governance and engagement | CX420 | Committee & Council Processes | Expense | 0 | 116 |
| | | | | | City governance and engagement Total | | | | 0 | 116 |
| | | | | | Governance, information and engagement Total | | | | 0 | 116 |
| | | | | | Governance Total | | | | 0 | 116 |
| 2 | Environment | 2.1 | Gardens, beaches and green open spaces | 2.1.1 | Local parks and open spaces | CX033 | Property Purchases - Reserves | Expense | 0 | 0 |
| | | | | | | CX284 | Park Structures - upgrades & renewals | Expense | 471 | 400 |
| | | | | | | CX436 | Parks Infrastructure | Expense | 165 | 305 |
| | | | | | | CX510 | Plimmer Bequest Project | Expense | 650 | 0 |
| | | | | | Local parks and open spaces Total | | | | 1,286 | 705 |
| | | | | 2.1.2 | Botanical gardens | CX348 | Botanic Garden | Expense | 433 | 530 |
| | | | | | Botanical gardens Total | | | | 433 | 530 |
| | | | | 2.1.3 | Beaches and coast operations | CX290 | Coastal - upgrades | Expense | 91 | 1,052 |
| | | | | | | CX349 | Coastal | Expense | 136 | 124 |
| | | | | | Beaches and coast operations Total | | | | 227 | 1,176 |
| | | | | 2.1.5 | Town belts | CX437 | Town Belt & Reserves | Expense | 135 | 248 |
| | | | | | Town belts Total | | | | 135 | 248 |
| | | | | 2.1.7 | Walkways | CX435 | Walkways renewals | Expense | 550 | 1,014 |
| | | | | | Walkways Total | | | | 550 | 1,014 |
| | | | | | Gardens, beaches and green open spaces Total | | | | 2,632 | 3,672 |
| | | 2.2 | Waste reduction and energy conservation | 2.2.1 | Waste minimisation, disposal and recycling management | CX084 | Southern Landfill Improvement | Expense | 1,238 | 673 |
| | | | | | Waste minimisation, disposal and recycling management Total | | | | 1,238 | 673 |
| | | | | 2.2.3 | Energy efficiency and conservation | CX494 | Energy Management Plan | Expense | 0 | 65 |
| | | | | | Energy efficiency and conservation Total | | | | 0 | 65 |
| | | | | | Waste reduction and energy conservation Total | | | | 1,238 | 738 |
| | | 2.3 | Water | 2.3.1 | Water network | CX126 | Water - Network renewals | Expense | 12,489 | 9,902 |
| | | | | | | CX127 | Water - Pump Station renewals | Expense | 323 | 668 |
| | | | | | | CX296 | Water - Water Meter upgrades | Expense | 0 | 477 |
| | | | | | | CX326 | Water - Network upgrades | Expense | 1,441 | 1,368 |
| | | | | | | CX430 | Water - Network renewals | Expense | 536 | 485 |
| | | | | | | CX512 | Water - Reservoir renewals | Expense | 1,975 | 1,662 |
| | | | | | | CX513 | Water - Reservoir upgrades | Expense | 190 | 353 |
| | | | | | | CX518 | Water - Water Meter renewals | Expense | (2) | 0 |
| | | | | | Water network Total | | | | 16,951 | 14,915 |
| | | | | | Water Total | | | | 16,951 | 14,915 |
| | | 2.4 | Wastewater | 2.4.1 | Sewage collection and disposal network | CX334 | Wastewater - Network renewals | Expense | 9,617 | 9,905 |
| | | | | | | CX381 | Wastewater - Network upgrades | Expense | 0 | 456 |
| | | | | | | CX517 | Wastewater - Pump Station renewals | Expense | 863 | 874 |
| | | | | | Sewage collection and disposal network Total | | | | 10,481 | 11,236 |
| | | | | | Wastewater Total | | | | 10,481 | 11,236 |
| | | 2.5 | Stormwater | 2.5.1 | Stormwater management | CX031 | Stormwater - Network upgrades | Expense | 944 | 4,081 |
| | | | | | | CX151 | Stormwater - Network renewals | Expense | 3,511 | 2,939 |
| | | | | | Stormwater management Total | | | | 4,455 | 7,020 |
| | | | | | Stormwater Total | | | | 4,455 | 7,020 |
| | | 2.6 | Conservation attractions | 2.6.1 | Conservation visitor attractions | CX125 | Zoo renewals | Expense | 800 | 817 |
| | | | | | | CX340 | Zoo upgrades | Expense | 516 | 0 |
| | | | | | Conservation visitor attractions Total | | | | 1,316 | 817 |
| | | | | | Conservation attractions Total | | | | 1,316 | 817 |
| | | | | | Environment Total | | | | 17,672 | 38,398 |
| 3 | Economic Development | 3.1 | City promotions and business support | 3.1.2 | Wellington convention centre | CX275 | Wellington Venues renewals | Expense | 2,215 | 1,759 |
| | | | | | | CX335 | Convention Centre | Expense | 0 | 5,252 |
| | | | | | Wellington convention centre Total | | | | 2,215 | 7,011 |
| | | | | 3.1.5 | Major economic projects | CX526 | Indoor Arena | Expense | 0 | 0 |
| | | | | | Major economic projects Total | | | | 0 | 0 |
| | | | | | City promotions and business support Total | | | | 2,215 | 7,011 |
| | | | | | Economic Development Total | | | | 2,215 | 7,011 |
| 4 | Cultural Wellbeing | 4.1 | Arts and Cultural Activities | 4.1.1 | Galleries and museums (WMT) | CX534 | Museum of Conflict | Expense | 0 | 0 |
| | | | | | | CX500 | Gallery & Museum Upgrades | Expense | 1,914 | 0 |
| | | | | | Galleries and museums (WMT) Total | | | | 1,914 | 0 |
| | | | | 4.1.2 | Major economic projects | CX536 | Film Museum | Expense | 0 | 9,248 |
| | | | | | Major economic projects Total | | | | 0 | 9,248 |
| | | | | | Visitor attractions (Te Papa/Carter Observatory) | CX496 | Cable Car Precinct | Expense | 180 | 0 |
| | | | | | Visitor attractions (Te Papa/Carter Observatory) Total | | | | 180 | 0 |
| | | | | 4.1.4 | Cultural grants | CX497 | Te ara o nga tupuna - Maori heritage trails | Expense | 100 | 0 |
| | | | | | Cultural grants Total | | | | 100 | 0 |
| | | | | 4.1.5 | Access and support for community arts | CX458 | Arts Installation | Expense | 26 | 27 |
| | | | | | Access and support for community arts Total | | | | 26 | 27 |
| | | | | | Arts and Cultural Activities Total | | | | 2,220 | 9,275 |
| | | | | | Cultural Wellbeing Total | | | | 2,220 | 9,275 |
| 5 | Social and Recreation | 5.1 | Recreation promotion and support | 5.1.1 | Swimming pools | CX056 | Aquatic Facility renewals | Expense | 1,790 | 1,853 |
| | | | | | | CX055 | Aquatic Facility upgrades | Expense | 627 | 0 |
| | | | | | Swimming pools Total | | | | 2,417 | 1,853 |
| | | | | 5.1.2 | Sportsfields | CX345 | Sportsfields upgrades | Expense | 650 | 905 |
| | | | | | Sportsfields Total | | | | 650 | 905 |
| | | | | 5.1.3 | Sportsfields (Synthetic) | CX506 | Synthetic Turf Sportsfields renewals | Expense | 0 | 0 |
| | | | | | | CX507 | Synthetic Turf Sportsfields upgrades | Expense | 560 | 1,789 |
| | | | | | Sportsfields (Synthetic) Total | | | | 560 | 1,789 |
| | | | | 5.1.4 | Recreation centres | CX059 | Recreation Centre Renewal | Expense | 227 | 15 |
| | | | | | | CX490 | ASB Sports Centre | Expense | 33 | 62 |
| | | | | | Recreation centres Total | | | | 260 | 77 |
| | | | | 5.1.5 | Recreation partnerships | CX503 | Basin Reserve | Expense | 3,468 | 1,597 |

2016/17 AP PROJECTS AND PROGRAMMES - CAPITAL EXPENDITURE

| Strategy | Strategy Name | Activity | Activity Name | Activity Component | Activity Component Name | AP Project | Project name | Income/Expense | 2015-25 LTP Yr 1 | 2016/17 AP | | |
|----------|-------------------------|----------|--|--------------------|--|--|---------------------------------------|------------------------------|-----------------------------|------------|--------|--------|
| | | | | 5.1.6 | Recreation partnerships Total | | | | 3,468 | 1,597 | | |
| | | | | | Playgrounds | CX181 | Playgrounds renewals & upgrades | Expense | 414 | 455 | | |
| | | | | | Playgrounds Total | | | | 414 | 455 | | |
| | | | | 5.1.7 | Marinas | CX341 | Marina renewals | Expense | 492 | 87 | | |
| | | | | | | CX342 | Marina | Expense | 66 | 54 | | |
| | | | | | Marinas Total | | | | 558 | 141 | | |
| | | | | | Recreation promotion and support Total | | | | 8,325 | 6,817 | | |
| | | | | 5.2 | Community support | 5.2.1 | Libraries | CX077 | Upgrade Library Materials | Expense | 2,022 | 2,073 |
| | | | | | | | CX269 | Upgrade Computer Replacement | Expense | 2,690 | 0 | |
| | | | | | | | CX338 | Central Library upgrades | Expense | 16 | 347 | |
| | | | | | | | CX358 | Branch Library upgrades | Expense | 844 | 6,882 | |
| | | | | | | | CX359 | Branch Libraries renewals | Expense | 55 | 220 | |
| | | | | | | | Libraries Total | | | 5,627 | 9,521 | |
| | | | | | | 5.2.5 | Housing | CX370 | Housing upgrades | Expense | 25,299 | 19,646 |
| | | | | | | | | CX371 | Housing renewals | Expense | 3,826 | 4,215 |
| | | | | | Housing Total | | | | 29,121 | 23,861 | | |
| | | | | 5.2.6 | Community centres and halls | CX467 | Community Halls - upgrades & renewals | Expense | 154 | 262 | | |
| | | | | | Community centres and halls Total | | | | 154 | 262 | | |
| | | | | | Community support Total | | | | | 34,902 | 33,644 | |
| | | 5.3 | Public health and safety | 5.3.1 | Burials and cremations | CX369 | Burial & Cremations | Expense | 635 | 316 | | |
| | | | | | Burials and cremations Total | | | | 635 | 316 | | |
| | | | | 5.3.2 | Public toilets | CX366 | Public Convenience and pavilions | Expense | 984 | 1,622 | | |
| | | | | | Public toilets Total | | | | 984 | 1,622 | | |
| | | | | 5.3.5 | WREMO | CX372 | Emergency Management renewals | Expense | 52 | 73 | | |
| | | | | | WREMO Total | | | | 52 | 73 | | |
| | | | | | Public health and safety Total | | | | | 1,671 | 2,010 | |
| | | | Social and Recreation Total | | | | | | | | 44,898 | 42,471 |
| | | 6 | Urban Development | 6.1 | Urban planning, heritage and public spaces development | 6.1.2 | Waterfront development | CX131 | Wgtn Waterfront Development | Expense | 4,277 | 5,187 |
| | | | | | | | CX523 | Waterfront Renewals | Expense | 2,566 | 1,204 | |
| | | | | | | | | Waterfront development Total | | | 6,843 | 6,390 |
| | | | | | | 6.1.3 | Public spaces and centres development | CX406 | Central City Framework | Expense | 1,325 | 2,527 |
| | | | | | | | CX446 | Suburban Centres upgrades | Expense | 0 | 1,120 | |
| | | | | | | | CX522 | Minor CBD Enhancements | Expense | 100 | 124 | |
| | | | | | CX527 | Urban Regeneration Projects | Expense | 0 | 392 | | | |
| | | | | | | Public spaces and centres development Total | | | 1,425 | 4,163 | | |
| | | | Urban planning, heritage and public spaces development Total | | | | | | 8,268 | 10,553 | | |
| | | 6.2 | Building and development control | 6.2.3 | Earthquake risk mitigation - built environment | CX505 | Earthquake Risk Mitigation | Expense | 5,940 | 3,041 | | |
| | | | | | | Earthquake risk mitigation - built environment Total | | | 5,940 | 3,041 | | |
| | | | Building and development control Total | | | | | | 5,940 | 3,041 | | |
| | Urban Development Total | | | | | | | | 14,208 | 13,594 | | |
| 7 | Transport | 7.1 | Transport | 7.1.2 | Vehicle network | CX086 | Wall/Bridge&Tunnel renewals | Expense | 2,510 | 2,457 | | |
| | | | | | CX088 | Thin Asphalt Road Surface renewals | Expense | 1,741 | 2,118 | | | |
| | | | | | CX089 | Reseals renewals | Expense | 2,477 | 2,435 | | | |
| | | | | | CX090 | Preseal Preparation renewals | Expense | 3,360 | 3,288 | | | |
| | | | | | CX092 | Shape & Camber Correction | Expense | 4,276 | 4,267 | | | |
| | | | | | CX093 | Sumps Flood Mitigation Upgrade | Expense | 9 | 221 | | | |
| | | | | | CX098 | Road corridor new walls | Expense | 1,451 | 2,182 | | | |
| | | | | | CX101 | Service Lane Improvements | Expense | 0 | 51 | | | |
| | | | | | CX165 | Tunnel and bridge improvements | Expense | 1,788 | 895 | | | |
| | | | | | CX253 | Kerb & Channel renewals | Expense | 2,208 | 2,133 | | | |
| | | | | | CX311 | Vehicle Network New Roads | Expense | 0 | 0 | | | |
| | | | | | CX350 | Road Risk Mitigation | Expense | 898 | 720 | | | |
| | | | | | CX377 | Roadway Capacity Projects | Expense | 1,580 | 0 | | | |
| | | | | | CX383 | Area Wide Road Maintenance | Expense | 719 | 790 | | | |
| | | | | | CX493 | Port and Ferry Access | Expense | 0 | 0 | | | |
| | | | | | | Vehicle network Total | | | 23,017 | 21,558 | | |
| | | | | 7.1.3 | Cycle network | CX112 | Cycling Improvements | Expense | 5,673 | 7,522 | | |
| | | | | | | Cycle network Total | | | 5,673 | 7,522 | | |
| | | | | 7.1.4 | Passenger transport network | CX492 | Bus Priority Planning | Expense | 145 | 888 | | |
| | | | | | | Passenger transport network Total | | | 145 | 888 | | |
| | | | | 7.1.5 | Pedestrian network | CX091 | Pedestrian Network Structures | Expense | 118 | 240 | | |
| | | | | | CX094 | Pedestrian Network Footpath renewals | Expense | 3,859 | 3,539 | | | |
| | | | | | CX099 | Walking Improvements | Expense | 200 | 409 | | | |
| | | | | | CX108 | Street Furniture renewals | Expense | 160 | 261 | | | |
| | | | | | CX109 | Pedestrian Network Accessways | Expense | 244 | 222 | | | |
| | | | | | | Pedestrian network Total | | | 4,583 | 4,671 | | |
| | | | | 7.1.6 | Network-wide control and management | CX095 | Traffic & St Signs renewals | Expense | 1,570 | 1,456 | | |
| | | | | | CX353 | Traffic Signal renewals | Expense | 1,234 | 924 | | | |
| | | | | | | Network-wide control and management Total | | | 2,804 | 2,380 | | |
| | | | | 7.1.7 | Road safety | CX096 | Safety Street Lighting renewals | Expense | 766 | 706 | | |
| | | | | | CX097 | Rural road Improvements | Expense | 100 | 103 | | | |
| | | | | | CX171 | Minor safety projects | Expense | 887 | 1,014 | | | |
| | | | | | CX352 | Fences & Guardrails renewals | Expense | 599 | 624 | | | |
| | | | | | CX445 | Safer Roads Project | Expense | 0 | 1,092 | | | |
| | | | | | | Road safety Total | | | 2,352 | 3,536 | | |
| | | | Transport Total | | | | | | | 38,573 | 40,557 | |
| | | 7.2 | Parking | 7.2.1 | Parking | CX102 | Parking Asset renewals | Expense | 0 | 0 | | |
| | | | | | | CX319 | Roadside Parking Improvements | Expense | 1,449 | 496 | | |
| | | | | | | | Parking Total | | | 1,449 | 496 | |
| | | | Parking Total | | | | | | | 1,449 | 496 | |

Low Carbon Capital Plan

A climate Change Action Plan for Wellington 2016-18

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Introduction by the Mayor

Climate change is the greatest challenge of our time.

“Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, and sea level has risen.”

Intergovernmental Panel on Climate Change’s fifth assessment report

In December 2015, 200 countries came together in Paris to set a pathway for collective action to reduce the amount of greenhouse gases entering the atmosphere and further mitigate impacts of climate change on the planet. These 200 countries signed up to mitigation goals aiming to limit warming across the climate system to 2 degrees Celsius or less by the end of the century. This agreement shows that acceptance that we need climate action is widespread among lay-people, scientists and politicians.

Cities have a strong role to play as the source of 70% of greenhouse emissions and with 90% vulnerable to coastal impacts. Wellington City has already positioned ourselves as a leader on climate change with the lowest per capita emissions in Australasia. Council has pioneered innovative programs like the Smart Energy and Low Carbon Challenge and the Smart Buildings Challenge, as well as being one of the only cities in the southern hemisphere to host a Climathon in partnership with Europe’s Climate-KIC. We have promoted climate action between local government and partners in the private sector – with both entrepreneurial start-ups and large businesses. The city is home to two wind farms that provide enough electricity to power all our residential homes. We have the highest active and public transport use in the country, partly due to our compact urban form. In addition, we own substantial forestry holdings and are aiming to plant two million native trees across the city between 2002 and 2020.

As well as these outstanding features and efforts there is more that makes us a climate centre of action – we are a member of the Rockefeller Foundation’s 100 Resilient Cities

Network, and have recently joined the global Compact of Mayors. The city, and region, is home to multiple universities and research institutes specialising in climate change including the Climate Change Research Institute at Victoria University of Wellington, the New Zealand Centre for Sustainable Cities at Otago University, the New Zealand Meteorological Service and a number of Crown Research Institutes such as the National Institute for Water and Atmosphere (NIWA).

Climate change affects us all – increasing costs for infrastructure and insurance, vulnerability of fish stocks and agriculture, refugees from Pacific Islands, spread of disease and the devastating impacts of bigger storms, severe rainfall, floods and landslips. Thank you to all who recognised the importance of this matter and made submissions on the draft. The vast majority supported our plan, with many calling for tougher targets. However, given population increase and our existing goals, Council has reconfirmed the trajectory towards an 80% reduction in City-wide emissions by 2050.

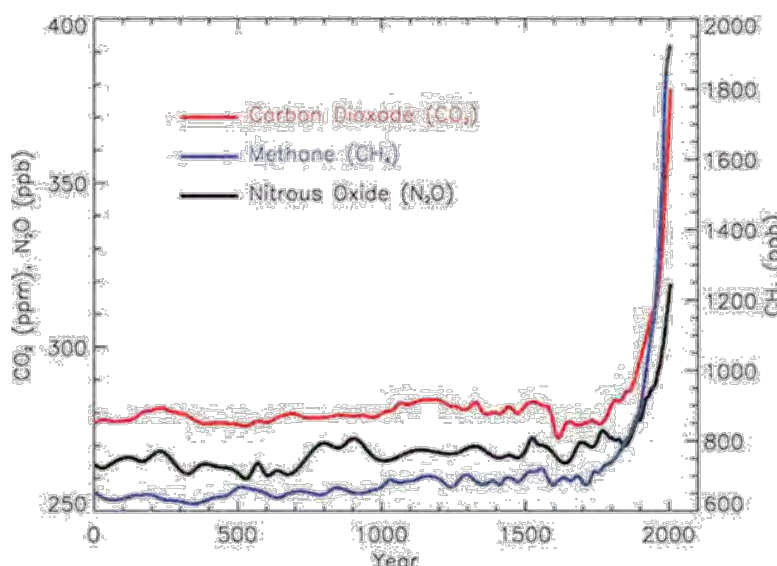
Our response must be scientifically based, setting ambitious targets and identifying a pathway to meet them. This is what the 2016-2018 Low Carbon Capital plan aims to achieve. We have invested significantly in improving the information that underlies our action planning by updating our greenhouse gas inventory for the city, achieving Certified Emissions Management and Reduction Scheme (CEMARS) certification for the Council's corporate emissions, and launching the Wellington 2050 Energy Calculator. Building on the 2010 and 2013 Climate Change Action Plans, Low Carbon Capital continues some programmes such as home insulation, while adding significant action in three key areas: greening Wellington's growth; changing the way we move; and leading by example.

It is important to keep in mind that reducing emissions is just one reason to invest in carbon-friendly action. There are many co-benefits. Wellington consistently places high in quality of life measures, the highest in New Zealand by some surveys, partially because of its compact and liveable city centre. By investing in climate-friendly infrastructure, we can further promote compact, healthy, and liveable communities.

Meeting our ambitious goals will take a concerted effort of tailored investments and initiatives in partnership with the private sector and central government that promote our weightless knowledge economy while reining in our carbon output.

Background

Climate change is now a clear and present global threat. Globally significant and sustained changes to the climate system are being driven by human activities – such as farming, driving, burning fossil fuels for electricity, and deforestation – pumping greenhouse gases like carbon dioxide, methane, and nitrous oxide into the atmosphere, where they gather and trap heat. Since the industrial revolution we have seen significant increases in greenhouse gas emissions unseen in millennia.



With 90% of global cities on the coast, vulnerable to threats driven by climate change like sea level rise and increasingly severe storms, it is imperative that we act to limit the damage caused by climate change. Closer to home, Wellington City has already seen the recent impacts of severe storms with the destruction of the Island Bay sea wall, the disruption of roads along the south coast, and the impact of washouts on the rail corridor north, particularly in the June 2013 storms.

However as a city that emits just 5.32 tCO₂e per person, the lowest in Australasia, Wellington is starting from a strong base. We have windfarms at our doorstep which supply

enough power to power all of Wellington City's residential homes. We have the highest rates of active and public transport in the country. We enjoy a compact, vibrant and liveable city centre. These existing assets provide a solid base that will act as a springboard to help us achieve our ambitious goals.

Action on climate change is not just good for mitigating emissions, or preventing negative impacts in the future. Acting to reduce emissions helps the city as a whole. Promoting a future-proofed knowledge economy to support the growth of the city and overall wellbeing; supporting the health and wellness benefits that come from active lifestyles and cleaner air; and promoting the vibrant liveable city centre that will result from a compact development profile are all examples of why climate change action is smart for the city.

The global context

Wellington City Council has led on climate change and resilience for many years. Now the Low Carbon Capital Plan, combined with membership in the 100 Resilient Cities network funded by the Rockefeller foundation, aims to solidify that leadership position. Wellington aims to be low carbon, liveable and fundamentally resilient to both the stresses and potential shocks that the city will face as a result of climate change.

Since our 2013-15 Climate Change Action Plan was released, the global context has seen a significant shift in its approach to a changing climate. The IPCC Fifth Assessment Report was released in late 2014, warning in the strongest terms:

"Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, and sea level has risen."

**"The Paris Agreement is a
monumental triumph for people
and our planet."**

**- United Nations Secretary-
General Ban Ki-Moon**

In late 2015, countries met in Paris for the 21st Conference of the Parties (COP21). As a result nearly 200 countries signed a commitment, and many issued reduction pledges, to reduce emissions enough to limit global temperature increases to a maximum of 2 degrees Celsius by the end of the century. With large global emitters such as the United States and China pledging meaningful reduction targets the

mood remains positive that we may finally be reaching a tipping point for concerted global action to address climate change.

Domestically central government is currently undertaking a major review of the Emissions Trading Scheme (ETS) and foreshadowing more support for initiatives such as electric vehicles (EVs), cycle ways, and public transport.

Why cities?

Globally cities consume two-thirds of the world's energy and create over 70% of global greenhouse gas emissions. Over 90% of all urban areas are coastal, putting most cities on Earth at risk of flooding from rising sea levels and powerful storms. Ultimately, every city and state is responsible for contributing to climate mitigation if we are to meet the ambitious goals the world has set in the most recent climate summit. Cities emerged out of COP21 in Paris as the key non-state stakeholders in meeting our global carbon challenge.

Wellingtonians each contribute 5.32 tonnes of CO_{2eq} each year. By lowering our carbon impact we contribute to the future-proofing of our city against the most negative impacts of climate change, whilst at the same time improving liveability and competitiveness by leveraging all the co-benefits that come with investing in climate-friendly policies, goods,

and services. We also have an opportunity to show leadership in the reduction of our own corporate emissions.

We will continue to identify opportunities to partner with Central Government, the private sector, universities and research institutes, and NGOs in order to maximise our collective funding capability and ensure no duplication of services.

"There is no single solution for solving global climate change, but cities have the ability, capacity and will to lead."

- C40 Cities Initiative

Wellington City has a proud history of commerce, culture, and innovation. We have the talent, the ideas, and the will to make a meaningful contribution to the global effort on climate change.

The current government response

The New Zealand Emissions Trading Scheme (ETS) is the country's key central government response to combat carbon emissions. The ETS creates a market incentive through by pricing carbon. Emitters must surrender carbon credits to meet their greenhouse gas emissions liability while activities that remove carbon from the atmosphere, such as forestry, are awarded carbon credits. These credits can be freely traded. Most parts of the economy are covered by the ETS with the exception of agriculture which makes up nearly 50 percent of New Zealand's emissions. Trade-exposed industries are allocated free credits to help them transition into the scheme.

For most of the time since the ETS was implemented in 2008 the price of carbon has been so low that it has not made a meaningful difference in terms of driving low-carbon choices and behaviour. There is currently a review of the ETS underway and the Government's announcement of the total phase out of the "Two for One" surrender obligation subsidy by 2019 has already seen substantial increases in the price of carbon in a relatively short period of time.

Co-benefits of climate action

Climate action doesn't just benefit the environment it also benefits the economy and contributes to Wellington's liveability:

- Greater health and wellness, particularly from active transport
- A more livable city with vibrant centres, particularly from compact development
- More affordable and accessible housing due to more space-efficient development
- A more vibrant economy due to an emphasis on "weightless," knowledge-intensive businesses.
- Cleaner air, water and natural environment

The state of play

Wellington City's emissions profile

1,084,979

tonnes CO₂ equivalent

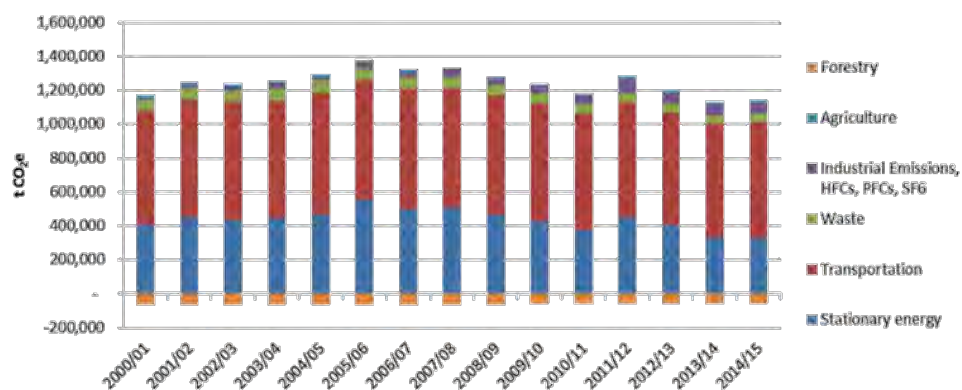
- Wellington's 2014/15 total emissions per GHG inventory

Wellington City's production emissions are dominated by two key sectors – transport and stationary energy, which combined account for more than 90% of the city's emissions.

Wellington's emissions profile does not contain substantial agricultural and forestry components as is the norm in most other parts of New Zealand. However Wellingtonians do consume significant amounts of agricultural

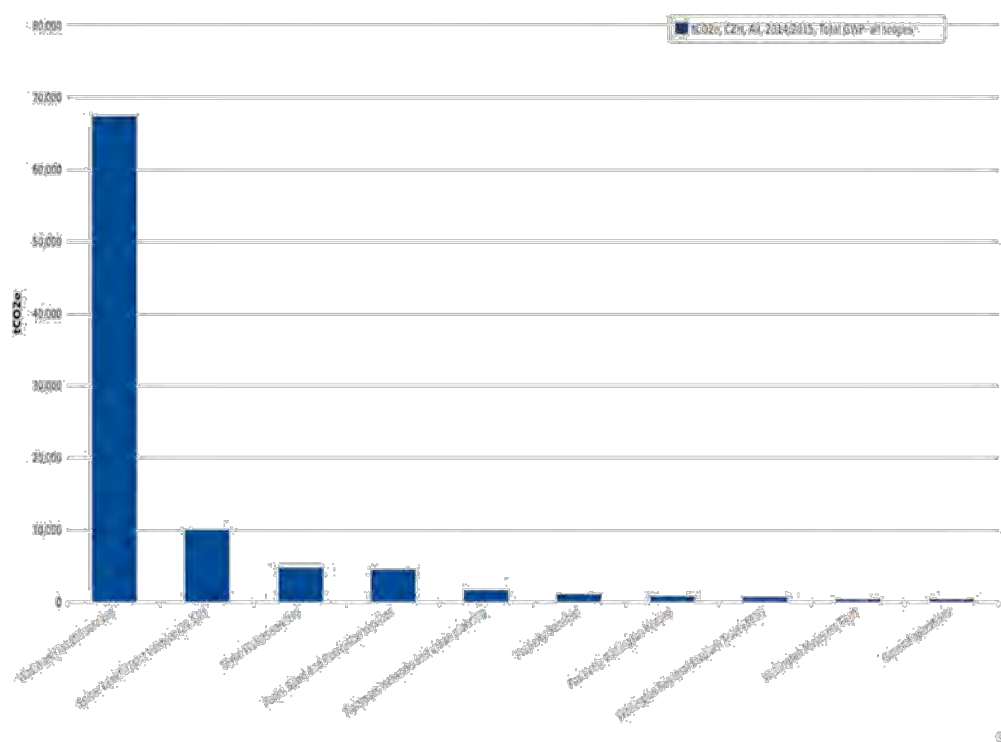
products which add to demand for production elsewhere. On the other hand, we have a major international airport within the city limits, so we are credited with the emissions of nearly all of the region's domestic air travel. This creates multiple complex challenges – with less forestry we aren't able to offset as much; and with aviation being a substantial contributor to our transport emissions, greenhouse gas reductions will be driven by the availability of international solutions for aviation such as biofuels or gains in aircraft efficiency. That said there are many opportunities where we can make a difference today – mostly in building energy use and private transport.

Wellington City GHG Emissions per Sector 2000/01 – 2014/15



Wellington City Council's Emissions Profile

Wellington City Council's recently-audited greenhouse gas emissions inventory is remarkably different from that of the city. As an organisation, waste deposited at our two landfills accounts for more than 80% of the organization's overall emissions. This poses a challenge for the council, as much of the emissions come from private waste deposited at our publicly-operated landfills. Whilst waste dominates our emissions profile there are still significant gains that can be made across the rest of Council operations and CCOs.



The challenges so far

Linking targets to mitigation action

This is not a challenge unique to Wellington City. Governments, Councils, and businesses worldwide have been grappling with the difficulties of setting ambitious but realistic targets and then laying out clearly how they intend to achieve those targets.

Whilst we implemented or completed nearly every action point in the 2013-15 Climate Change Action Plan we still failed to meet our targets. This suggests that our targets were not sufficiently linked to the actions that were chosen, and we need better information to help us identify the actions with the greatest potential to achieve the emissions reductions required to meet our targets.

The development of the 2050 energy calculator and the tools now available to us through our CEMARS certification will assist us to better align targets with pathways to meet those targets.

30 out of 34 actions
completed in the 2013-15 Climate
Change Action Plan

The levers we have available to us are limited

Most of the available levers to really accelerate action on climate change mitigation lie with central government. The price of carbon, further greening of the national grid, and accelerating the production and uptake of biofuels are all examples of central government policies over which we have no control that could significantly impact our city and Council emissions. However we do have a strong role to play in advocating on behalf of our community for policies and initiatives which drive down emissions across the city and the country as a whole. This also provides an even greater incentive to make maximum use of the levers which are available to us.

Managing legacy infrastructure and climate change adaptation

Even if the world were to drastically reduce emissions overnight we are still locked into at least two degrees of warming by the end of the century. This will mean changes in weather patterns, temperature, and sea level rise.

One of the most challenging aspects of climate action is likely to be the management of legacy infrastructure. Much of the infrastructure with us today will still be in use fifty or



even a hundred years from now, particularly housing, transport and water infrastructure. Managing this infrastructure in the face of rising seas, more severe storms and a significantly changing climate will be no small feat. Our membership in the 100 Resilient Cities network and the upcoming Resilience Plan will offer an opportunity to elucidate how we plan to manage this infrastructure

over the coming years.

Mainstreaming climate change policy and action

Action on climate change mitigation and adaptation makes sense economically as well as environmentally. As such climate change policy shouldn't exist in a vacuum siloed away from all other areas of Council policy.

There are also many actions that might only result in small reductions in greenhouse gas emissions, but that have many other co-benefits which on balance make them worthy of support. An example of this would be home insulation, which also results in warmer healthier homes, or residential solar which with fast-developing battery technology increases resilience.

Our current targets

Wellington City Council has adopted two separate target pathways out to 2050 – one for Council operations and the other for the city as a whole. The targets were set in 2007 and based on recommendations for cities from ICLEI (International Council for Local Environmental Initiatives) due to a lack of Wellington specific data at the time.

Greenhouse gas emissions-reduction targets for Wellington City and Wellington City Council

| | BASE YEAR | 2010 (2009–2010) | 2013 (2012–2013) | 2020 (2019–2020) | 2050 (2049–2050) |
|-------------------------|------------------|-------------------------|---------------------|---------------------|---------------------|
| Wellington City | 2001 (2000–2001) | Stabilise (0% increase) | -3% | -30% | -80% |
| Wellington City Council | 2003 (2002–2003) | Stabilise (0% increase) | NA | -40% | -80% |

Since that time we have implemented and delivered three key projects.

- The first is a Greenhouse Gas Inventory for Wellington City. The inventory measures emissions generated directly and indirectly by the communities of Wellington City across a number of different sectors including transport, waste, stationary energy, agriculture and forestry. With the release of our latest Greenhouse Gas Inventory in early 2016 we are now able to assess our citywide performance against our targets.
- The second is a city-wide energy calculator. The calculator allows users to explore how energy and transport choices shape Wellington city's carbon emissions footprint and discover which interventions would have the highest impact based on scientific data. Users can vary 31 'levers' that affect how energy is used and produced in the city– such as improving public transport or increasing the number of solar panel installations. The calculator will allow Wellington City Council to prioritise areas with the highest potential for emission reductions and use that data to inform future city targets.

- The third is the attainment of CEMARS (Certified Emissions Management and Reduction Scheme) certification for Wellington City Council – only the third Council in New Zealand to do so. Council achieved CEMARS certification in December 2015 following a two day audit of the energy and emissions data collected by Wellington City

“Our emissions profile will now be regularly audited and includes all city Council emissions to international certified standards. This is a significant step and puts emissions into a category as important as an accurate balance sheet.”

Council and CCOs. Certification means that we can now have confidence that the data we collect is accurate and comprehensive and a precise measure of how we are performing. This enables us to start measuring our energy and greenhouse gas emissions reduction progress against this original audit or ‘baseline’ year and make more informed decisions about our energy management and emissions reduction work programmes. These work programmes will inform the setting of future targets for Council Operations.

So what do these tools tell us?

1.8% reduction in citywide
CO₂e between 2000/01 and
2014/15

30% target reduction by
2020

Based on the information in our updated Greenhouse Gas Inventory, Wellington City gross emissions have decreased by 2.1% between our base year of 2000/01 and 2014/15. However we failed to meet our 2013 target of a 3% reduction in emissions with the city registering a 1.5% increase for that period. Similarly using our energy calculator we can predict that it is highly unlikely that we would

be able meet our current target of a 30% reduction in city-wide emissions by 2020.

More importantly however it is still possible, with a concerted and sustained effort, to meet our 2050 target of an 80% reduction in city-wide emissions relative to 2001. It is the 2050

target that is critical and so while it is disappointing to not meet the 2013 or 2020 targets it is merely the trajectory that has changed, not the goal itself. We also now have comprehensive information that was not available back in 2007 to inform the setting of future targets and identify the interventions that will yield the greatest reductions in greenhouse gas emissions.

When it comes to the measurement and setting of targets for Wellington City Council's corporate emissions we also have historically had to rely on data that was compromised due to numerous changes in methodologies and unaudited emissions reporting going back to the base year of 2003. Gaining CEMARS accreditation has rectified this situation and given us a comprehensive standardised platform for our emissions reporting and management. As a result it is necessary to reset our base year to 2014/15 – the first year for which we have a complete audited set of data right across Council and CCOs. It is important to note that this new baseline year relates only to Wellington City Council's emissions and the Wellington City baseline year remains unchanged at 2001.

82.4% of Wellington City
Corporate emissions come from
Waste to landfill – CEMARS audit

Achieving the current target of a 40% reduction in Council emissions by 2020 compared to the new base year would be extremely difficult. As with the City-wide emissions reduction target we believe it makes the most sense to focus on achieving the 2050 target and set the emissions reduction trajectory, and interim targets, accordingly based on the new information we now have available.

We now have an opportunity to utilise the three tools that have been developed to inform Wellington-specific emission reduction targets rather than continuing to use the ICLEI default targets. In doing so we acknowledge achieving our targets will require significant central and regional government support and action and will work collaboratively with our partners to achieve this.

With this in mind, the following targets will be adopted for our citywide emissions reductions. The baseline year for the city remains at 2000/01.

2020 target: 10%

2030 target: 40%

2040 target: 65%

2050 target: 80%

Scenario modelling to test these targets can be done at <http://climatecalculator.org.nz>

KPIs will be developed in each of the Low Carbon Capital Plan areas for quarterly reporting on progress. A suggested framework for this reporting will be developed in the first quarter of the 2016/17 financial year. Targets for Council's corporate emissions will be set in conjunction with the development of our CEMARS emissions management plan in 2016.

Identifying areas of greatest potential

With the development of the Wellington 2050 Calculator and our latest Greenhouse Gas Inventory, we now have much better information available to us to analyse the potential impact of different interventions and their overall potential for emissions reduction given various levels of effort. By far the most impactful areas of potential are:

1. Electrification of the vehicle fleet
2. Biofuels for liquid fuel replacement
3. Further increasing the percentage of renewable electricity generation nationally
4. Reduced emissions from refrigerants and other product use.

From this information we have identified a mix of activities for Wellington City Council comprising both direct actions and strengthened advocacy roles.

The calculator will allow people to see the impact of their choices on Wellington's emissions pathway, based on scientific data. It covers all parts of the economy and all greenhouse gas emissions released in the city, including non-energy-related emissions.

- Wellington Mayor Celia Wade-Brown

There is enormous opportunity to bring central government, the private sector and local government together to deliver strong results for the climate in these and other areas.

Adapting to a changing climate

There is enormous crossover between the climate change mitigation and adaption workstreams and officers continue to work closely together. After all, mitigation is first line of defence when it comes to adapting to a changing climate - if we don't stop creating the problem then our adaptation challenges become even more difficult. However this plan does not lay out a strategy for climate change adaptation for Wellington City. Climate change adaptation is one of the main focus areas for the Wellington Resilience strategy which is currently being developed as part of Wellington's membership of the Rockefeller Foundation's 100 Resilient Cities programme and will be consulted on separately although this does not preclude the two workstreams being integrated in the future.

The three pillars of climate change action for Wellington

1. Greening Wellington's growth

Wellington City is widely recognised as a liveable city renowned for its high quality of life. Wellington already has the country's highest proportion of people walking, cycling and using public transport for journeys to and from work. Wellington has a head start on the rest of

70% of the infrastructure that will exist in cities by 2050 hasn't been built yet.

- Rockefeller Foundation 100 Resilient Cities Global Trends

New Zealand in responding to climate change, with a lower carbon footprint due to its compact urban form, higher rates of public and active transport, access to significant renewable energy resources, and a growing creative and knowledge-based, "weightless" economy.

Wellington City's population is conservatively expected to grow from the current 200,000 to approximately 250,000

over the next 30 years.

Wellington's Urban Growth Plan aims to ensure that as the city's population increases, new houses, transport networks, infrastructure and services are developed sustainably and in areas that benefit the city the most so that residents continue to enjoy a world-class quality of life and:

- maintain the city's liveability – the features that support our high quality of life and the city's character
- keep the city compact, walkable and supported by an efficient transport network
- protect the city's natural setting – nested between our green hills and coastline, contributing to our distinctive character

- make the city more resilient to natural hazards such as earthquakes and the effects of climate change.
- instead of being a separate standalone strategy the Low Carbon Capital plan will form part of the early implementation of the Urban Growth Plan.

To continue reducing our city-wide greenhouse gas emissions we will maintain the compactness of our city as our population grows; and invest in our public transport network, footpaths and cycleways to reduce car use and car ownership and improve travel efficiency. We will continue to encourage low-emission economic development, building efficiency, water conservation and waste reduction.

40.6% increase in
population in Te Aro and
Wellington Central between 2006
and 2013 censuses

Long term goals:

- Our building stock is more energy efficient due to improvements such as better insulation in homes, and more efficient lighting, cooling and heating systems in residential and commercial buildings.
- An increasing proportion of the energy we use to power the city's homes, buildings and transport comes from local renewable sources – wind, solar, tidal and wave energy, as well as biomass energy from waste.
- The city has a comprehensive network of natural assets – parks, gardens, coastline, Town Belt and reserves. Wellington City Council also has investments in PFSI (Permanent Forest Sinks Initiative) and ETS (Emissions Trading Scheme) forests. These help to support biodiversity, absorb carbon emissions, and form part of Wellington's green infrastructure.
- We use water more efficiently and minimise waste production.
- We manage the risk of sea-level rise and extreme weather events through mitigation and adaptation, including ensuring infrastructure can cope with these effects.

- Our planning documents reflect the risks associated with climate change, for example, controlling housing and infrastructure development in places susceptible to flooding, and areas prone to slips or coastal erosion.

Implementation plan for 2016 – 2018

Investigate phasing out the Minimum Parking Requirement (MPR)

MPRs are rules in District Plans that require developers to build a minimum number of off-street car parks with any new development – usually one or two parks per dwelling. While there is no MPR for developments within Wellington's CBD, MPRs do apply across the rest of the city.

We will explore phasing out the minimum parking requirement where it makes sense - starting in parts of the city where car ownership rates are already low and comparable to CBD levels.

Number of households with **2** or
3 or more cars has decreased
between the 2006 and 2013
censuses

Around 1 in every 7 Wellington households already lives without a car. More than 10,000 households in total have no car, and this number rose by more than 1100 households since the last census. The highest concentration of no-car households is in the CBD and surrounding suburbs. We would prioritise looking at removing MPRs for these suburbs and increasing the provision of alternative transport choices. For some places, for example the northern suburbs, it is evident that the requirement is a necessity. But in places close to the CBD it may serve only to limit sustainable development potential which is undesirable given the city expects to add a minimum 50,000 more residents by 2043. It is also important to acknowledge the complex nature of MPRs and ensure that any decisions to remove them is done in full cognisance of the impact on other important transport modes such as public and active transport. For example MPRs may be necessary on arterial routes where parking competes for space with cycle lanes or bus lanes.

By phasing out this requirement we can enable greater transport choice and allow developers, both commercial and residential, to build parking as needed to meet demand rather than creating excess capacity with a compulsory regulation that incentivises car ownership over other transport choices. This has been the practice in Wellington's CBD for around 20 years, with positive development outcomes. Developers are already incentivised

to provide adequate parking in order to maximise the value of their investment. However, with car ownership decreasing on a per-capita basis across the city, and with increasing numbers of Wellingtonians taking advantage of the growing range of alternative transport choices on offer, it makes sense to let the market define what the optimal use of any given space is; be it car parking or some alternate land use.

When: 2017/18

Cost: to be met from within existing budgets

Continue the Low Carbon Challenge

Wellington City Council has been partnering with Enspiral and a range of other partners to deliver the Low Carbon Challenge (formally known as the Smart Energy Challenge). The Challenge brings to life emissions reduction projects that benefit Wellington and contribute to the city's liveability and sustainability. The challenge also engages Wellington's innovative social entrepreneurs and helps build capacity within the sector whilst at the same time providing practical support through dollar-for-dollar fund matching for successful projects.

Two challenges have been successfully run to date resulting in initiatives such as Mevo – an EV car-sharing scheme to be launched in 2016 – and the Wellington Smart Building Challenge (see page 26). A Climathon event was also run the winner of which was selected

2nd place finish at
COP21 for PoOol, the winner of the
Wellington Climathon

to present at the COP21 in Paris last year and placed second out of more than a hundred teams globally.

We are working with Enspiral to deliver the 2016 Low Carbon Challenge to continue to cultivate our local entrepreneur community and support the three pillars of this Low Carbon Capital Plan.

When: 2016/17

Cost: to be met from the existing Smart Energy Capital Fund (\$160k)

Investigate incentives for sustainable building solutions

With Wellington City's population set to grow by at least 50,000 residents over the next 30 years, and a focus on growth in the CBD, we want to ensure that effective incentives are in place for new building developers, and owners of existing buildings, to provide facilities which add to the sustainability of that growth.

Over the next two years, we will investigate what incentives, financial or otherwise, could be effective in ensuring the provision of services including, but not limited to, recycling and food waste collection, electric vehicle charging infrastructure, green roofs and access to building car-share schemes.

When: 2016-18

Cost: to be met from within existing budgets

Investigate alternatives for sewage sludge disposal

One of the practical challenges that a growing Wellington City will face is how to deal with accompanying increase in wastewater being treated and then sent to the Southern landfill as sewerage sludge.

The amount of sewerage sludge going to landfill has climate change implications in two respects - the greenhouse gas effects of the sludge itself; and the potential impact on the landfill's emissions-reducing waste

minimisation programmes given the requirement for every tonne of sludge to be mixed with four tonnes of municipal waste.

Wellington Water commissioned a Regional Biosolids Strategy in late 2015 to set a regional direction for management of the Biosolids generated by the four wastewater treatment plants that they manage. The Biosolids strategy considered a range of sludge treatment technology and potential end uses, in particular potential beneficial uses (such as disposal to land or

15,000 tonnes

production of sewage sludge
disposed of in the southern landfill,
just under 20% of total waste

energy recovery). In terms of timing any change in sewage sludge treatment at the Southern landfill would best line up with the expiry of the treatment plant operating contract in 2020. We will work with Wellington Water to discuss options for the treatment of sewage sludge to reduce landfill emissions.

When: 2016 -18

Cost: investigations to be met from within existing budgets

Home Energy Saver

The Home Energy Saver scheme offers a free home energy audit to Wellington homeowners, landlords, and tenants. Following the audit participants are eligible for a 50% discount on certain energy saving products up to a limit in order to reduce their energy use and carbon footprint. Since 2011 more than 2000 homes have received upgrades through this program. We are currently in discussion with the provider of the scheme, Sustainability Trust, and Victoria University to carry out an evaluation of the scheme in order to ascertain its effectiveness in driving behaviour change when it comes to energy use.

When: 2016-18

Cost: \$60k per year – already funded through the 2015-25 Long Term Plan

Warm Up Wellington

Warm up Wellington is a subsidiary of the Government's Warm up New Zealand (WUNZ) scheme. WCC in partnership with EECA, Sustainability Trust, Capital and Coast District

Health Board, and Hutt Mana Charitable Trust provides insulation services to low-income homes. WUNZ is a three-year programme with a target of insulating 46,000 homes across New Zealand.

The programme targets households exhibiting, or at risk of developing,

1,400 retrofits through the
Warm Up Wellington program
since 2011

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respiratory disease and other health conditions linked to poor housing.

Eligibility for the WUNZ programme is limited to households that:

- Householder or head tenant holds a Community Services Card and,
- someone living in the home is under 18 years of age or over 65, or
- someone living in the home has a housing-related health condition.

More than 1400 retrofits have been undertaken in Wellington City since 2011. Central government recently passed legislation requiring all rental properties to be insulated by mid-2019. As such the criteria for Central government funding, which up until now has provided the bulk of the subsidy via EECA, changes from July 2016 and the scheme will only be available for rental properties. We will provide funding of \$80,000 for Warm up Wellington in the 2016/17 financial year.

When: 2016/17

Cost: \$80,000 (\$40,000 funded through the 2015-25 Long Term Plan)

The Smart Buildings Challenge

The Smart Buildings Challenge is a collaboration between Wellington City Council, EECA, Microsoft, Switch Automation, Vector AMS and the Energy Management Association of New Zealand to pilot an energy management tool for commercial building owners. The challenge aims to provide a user-friendly platform which enables building owners to manage and reduce their own energy costs whilst at the same time reducing the carbon footprint of Wellington's commercial building sector. We currently have 20 commercial buildings entered into the challenge including WCCs Central Library Building.

Challenge participants sign up to an aspirational goal of a 10% reduction in energy usage over the first year and work towards achieving NABERS NZ accreditation.

38% of emissions in the Wellington City Council boundaries are from stationary energy – such as commercial buildings heating and cooling

The Smart Buildings Challenge is a pilot and has funding through 2016/17. We will monitor the progress of the scheme and investigate opportunities to extend the programme to a larger number of building owners as well as their tenants.

When: 2016/17

Cost: to be met from the existing Smart Energy Capital Fund (\$160k)

Solar Power

Currently residential solar does not have a large impact on emission reductions given New Zealand's already high levels of renewable electricity generation currently sitting at around 80%. Solar is also at its most effective during the day when electricity demand is lower. However, battery storage technology is rapidly improving and as it improves the potential for solar installations to help reduce the City's greenhouse gas emissions increases.

There are also co-benefits of promoting solar in Wellington City. Homes and businesses are more resilient if they have the ability to generate and store their own electricity in the event of an outage. And in order to accommodate the desired uptake of electric vehicles across New Zealand we will need to increase electricity generation nationally so investment in solar could also be considered as investment in future EV charging infrastructure needs.

We will look for opportunities to increase the uptake of solar in Wellington by working with solar providers and utilities in both residential and commercial contexts.

When: Ongoing

Cost: To be met from within existing budgets

2. Changing the way we move

In order to meet Wellington's climate transport challenges we must make it easier for Wellington City residents to either not own a personal vehicle, or to own personal vehicles which operate on sustainable alternatives to fossil fuels.

Mobile emissions make up the largest segment of Wellington City's emissions profile. Having a high-quality diverse transport system is key to Wellington's economic, environmental and social success as well as meeting our climate change targets.

56% of emissions in the
Wellington City Council boundaries
are from transport

Wellington has many existing advantages. The city is compact, many people work in the CBD, and we have a comparatively young, educated population who have demonstrated they are open to change and new transport experiences. We have a good public transport system, and car ownership is relatively low by national standards. Walking as a transport mode is very high (17 percent of journeys to work) by national and

international standards. There has also been a large recent rise in the number of people cycling despite a current lack of supporting infrastructure.

As a city we must recognise the important role our public transport system plays in moving people around the city and the wider region and increase availability and quality of service, foster the safe and convenient development of walking and cycling, and support the provision and uptake of car-sharing and ride-sharing services and disruptive technologies such as electric and autonomous vehicles.

Implementation Plan 2016 – 2018

Support car sharing and electric vehicle charging

Over the next three years we will identify up to 100 car parks citywide (suburbs 70%/CBD 30%), with an early focus on the CBD, to be made available based on demand for car-sharing operations, electric vehicle charging infrastructure, or any other service which reduces the need to own a car or makes it easier to shift to sustainable transport fuels. This kind of support is in line with support we offer to other providers of valuable transport options. Public transport and taxis enjoy substantial road space across the city, including in high-value areas, so we merely are looking to extend this provision to other services. This will also be done in an integrated way being cognisant of the impact on other important transport modes such as walking, cycling, and public transport.

These parks will only be offered where demand can be demonstrated. In the case of car sharing adding car share vehicles in the City could potentially free up parking space given recent research from Australia showing that for every car sharing vehicle in operation an average of 10 private vehicles are removed from city streets¹. Research out of the USA shows as many as 15 can be removed.

We will also develop a policy (currently being finalised in relation to car-sharing) to outline the conditions under which public spaces will be made available and the guiding principles for granting such access. This will be an enabling policy with a focus on reducing compliance and cost particularly for small start-up companies. In addition to the policy, guidelines will be drawn up to identify the level of subsidy needed to grow electric vehicle infrastructure and car-sharing take-up, and the point at which they no longer need subsidised Council car-parking.

Car sharing

Council has supported car sharing in one form or another since 2008. We will now look to accelerate that support to enable greater provision of car-sharing services across the city and particularly in the CBD. This will primarily be in the form of provision of parking spaces which will initially be free. It could also be through initiatives such as the Low Carbon Challenge. We will build on the learnings of the current car sharing pilot and develop a

¹ Philip Boyle & Associates, (2015), *The Impact of Car Share Services in Australia*, 7 January 2016

strategy that is enabling, effective, and responsive to the needs of car share providers. We will also work with other Councils to develop region-wide car-sharing capability.

When: 2016-18

Forgone revenue: up to \$150k by year three of the plan

Promote Electric vehicle uptake

Increasing the number of electric vehicles as a proportion of Wellington's transport fleet would have a significant impact on the city's greenhouse gas emissions. EVs also make sense for New Zealand given 80% of our electricity is currently generated from renewable sources. Cost remains a barrier to the uptake of electric vehicles; however prices continue to fall with an increasing number of products being made available in the New Zealand market. As uptake of EVs increases so does the potential for a decent sized second-hand market at prices which rival those of conventional vehicles.

"Electric vehicles can drive us into a cleaner, more sustainable energy future. The IEA has shown that if global warming is to be limited to 2 degrees, at least a fifth of all vehicles on roads by 2030 should be electric."

- Fatih Birol, Executive Director of the International Energy Agency

The other barrier to uptake of EVs is the lack of charging infrastructure around the city, particularly in the CBD, and in neighbouring cities in the Wellington region. This exacerbates "range anxiety" which may deter otherwise motivated car owners from going down the EV path. Wellington also has a higher than average number of residential properties without garages for overnight charging which makes provision of charging near place of work a specific challenge for Wellington City.

"Zero Emissions Vehicles will also reduce local air pollution in cities that is causing immense damage to health and the economy. The uptake of electric-mobility will be more feasible and also fruitful if cities adopt compact planning and measures to improve public transport. "

- Joan Clos, Executive Director UN-

As well as providing access to public spaces, including carparks, for the provision of EV charging infrastructure Council can also play a critical role in ensuring the consenting processes for the installation of chargers are as streamlined and affordable as possible.

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We are currently working with a number of private sector partners and key stakeholders to progress this work with a view to producing an easy to understand guide for those looking to install chargers on public and private land within Wellington City, from the standard three pin socket (slow-charger) to the 50kWh fast chargers.

We will investigate removing the requirement for a resource consent for EV charging infrastructure right across the city. In order to facilitate the uptake of EVs by those without access to a garage it will also be important to investigate options for suburban on-street slow-charging.

We will also investigate the potential within council owned car parking buildings for low-cost EV standard chargers to immediately be introduced in order to get a basic level of public EV charging infrastructure into the CBD.

We will continue to work with Central Government, other councils, utilities providers, and other key stakeholders such as Drive Electric to progress the rollout of an integrated EV fast charging network across the country. By taking a leadership role in Wellington City we will then be in a position to share experiences and assist others to do the same.

"The new blueprint is ... not anti-car. It's pro-choice."

- Janette Sadik-Khan, Former
NYC Transportation
Department Head

When: 2016-18

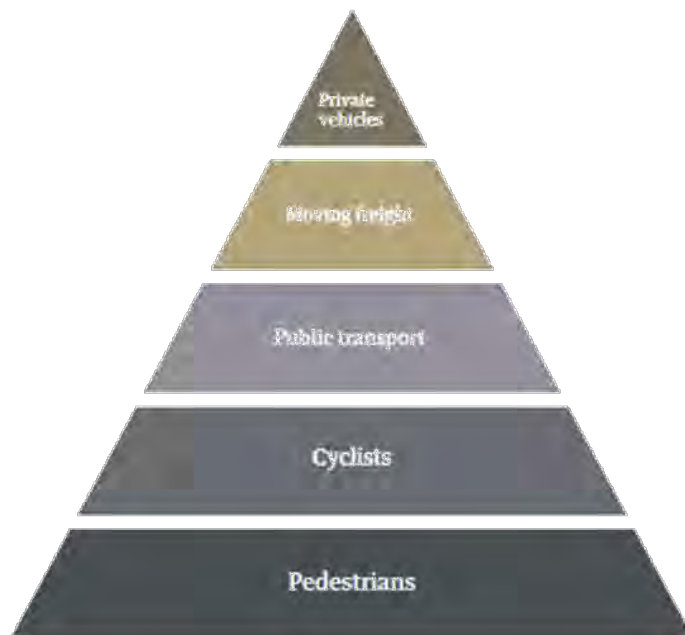
Cost: Investigations to be funded from within existing budget

Invest in walking, cycling, and public transport modes

Wellington's Urban Growth Plan supports our sustainable transport hierarchy by encouraging walking, cycling and public transport over other modes of transport.



Sustainable transport hierarchy



We will continue to support the objectives of the Wellington City Council's Walking Policy and look for opportunities to enhance the pedestrian experience in the City and have more commuter journeys taken by foot through initiatives such as improved signage.

Wellington City Council in partnership with the New Zealand Transport Agency and Greater Wellington Regional Council will also fund a significant expansion of our cycling and public transport network in the coming years. To make the most of the improved cycling network, we will explore opportunities to establish a bike share scheme and identify public spaces that could be used to support such a scheme.

When: 2016-18

Cost: Investigations to be funded from within existing budget

Advocating for lower fares across our Public Transport network

Wellington City Council is aware of the critical impact public transport has on creating a balanced, low carbon, well-functioning transport network. We are also aware that while we don't control the public transport network we have a strong advocacy role to play for our residents; especially vulnerable users who rely on public transport because they have no alternative. We view public transport fares as one of the key areas of action because while Auckland Council recover just 44% of their operating costs through public transport fares, and Environment Canterbury just 38%, Wellington recovers 57% of their operating costs through public transport fares. Greater Wellington Regional Council analysis indicates that while residents of other territorial authorities are paying between 10-40c/km, residents of Wellington City are paying as much as \$.60-1.80/km. Given this imbalance, we believe we have a strong role to play in advocating for more reasonable fares across the Wellington City public transport network. We can't deliver on lowering fares ourselves but will continue to work with Greater Wellington Regional Council to explore the possibilities through programmes like our discounted public transport fares piloted over the past Christmas period.

Advocate for greater support for the development of biofuels

New Zealand is uniquely placed to be able to produce ample sustainably produced bioenergy to begin replacing both solid and liquid fuels across the country. With adequate support from central government it could also create opportunities for greater carbon offsetting through forestry.

Recently biofuel production has been a source of contention globally with concerns raised around the displacement of food sources, impacts on biodiversity, and the carbon footprint of some forms of biofuel. New Zealand is in the fortunate position of having forestry and agricultural sectors which produce waste by-products which could be used for sustainable biofuel production, as well as substantial potential for planting new forests to supply a growing biofuel industry.

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The private sector is beginning to act in this area in spite of little government support. Z Energy recently announced the construction of a biofuel plant that will run on beef tallow as a feedstock. Air New Zealand and Virgin Australia recently released a request for information to the market to try and support the creation of an Australasian biofuel market for jet fuel. This is a great start and greater central government support could progress the sector even further.

An effective price on carbon through the emissions trading scheme as well as regulatory or financial support from central government for greater biofuel production presents one of the greatest opportunities to make a meaningful difference in Wellington's emissions profile. Council will continue to advocate to Government for progress to be made in this area.

3. Leading by example

Wellington City Council owns, manages, and provides a range of services that directly or indirectly produce greenhouse gas emissions. The main sources of emissions for Council operations are landfills and the energy used in our offices, pools, water treatment and pumping, street lighting and vehicle fleets. Wellington City Council continues to deliver an energy data monitoring and energy management programme through our Energy Manager. In this Low Carbon Capital plan we will build on this work and take it to the next level.

Wellington City Council currently has a target of a 40% reduction in emissions by 2020 and an 80% reduction by 2050. As we have reset our baseline year to 2014/15 it will be extremely difficult to achieve a 40% reduction in less than four years. However we are on track to meet our 2050 target. We will reset our interim targets using the comprehensive data now available to us through our CEMARS accreditation.

Implementation Plan 2016 – 2018

CEMARS certification

Wellington City Council achieved CEMARS certification in December 2015. Certification means that we can now have confidence that the data we collect is accurate and comprehensive which for the first time gives us an exact measure of how we are performing as an organisation in reducing our greenhouse gas emissions.

Now that certification has been achieved we move to the next phase of CEMARS and will be setting emission reduction targets for the next five years across Council and CCOs for all major

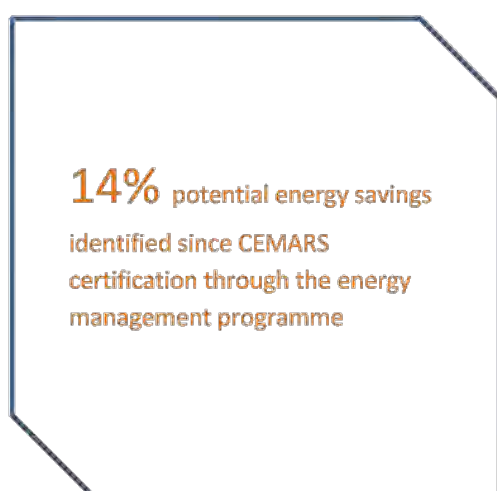
“Council is showing what can be done and now has the opportunity to inspire and influence suppliers and other organisation’s to reduce their emissions.”

- **Dr. Ann Smith, Chief Executive of Enviro-Mark Solutions (CEMARS)**

emission sources. These will be audited annually to monitor progress leading up to our next full audit in 2020. This enables us to start measuring our energy and greenhouse gas emissions reduction progress against this original audit or 'baseline year' and make more informed decisions about our energy management and emissions reduction work programmes.

When: Ongoing

Cost: \$30k per year



Invest in energy savings across the business

Wellington City Council is fortunate to have strong energy management capability with savings already being made despite no dedicated budget. We will invest in energy savings across the business over the next three years to take this to the next level. Projects have been identified which could result in significant energy savings and

greenhouse gas emission reductions with short payback times. We will develop a business case over the next year for an energy management budget that would allow these larger energy saving projects to proceed. In the meantime we are allocating \$75,000 for the 2016/17 financial year in order for work on these initiatives to begin.

We will also implement an Energy Management Strategy to reduce energy costs, optimise systems, and reduce emissions.

When: 2016/17

Cost: \$75,000

Council Vehicle Fleet

Wellington City Council currently has one fully electric vehicle in its fleet of 197 vehicles as well as four hybrids.

Council vehicles, on average, do not have extended driving profiles that would normally restrict the use of EV or alternate fuel vehicles. However, these vehicles currently attract an approximate 25% cost premium when compared to equivalent diesel or petrol cars, and whole life and residual value analysis is not readily available for these vehicles.

To lower its carbon footprint WCC has an ongoing commitment to electric vehicle (EV) and alternative fuel technologies. Alternative fuels and EV technology for its 'Type 1 - small car' and 'Type 2 - large car' vehicles will be considered as part of the current fleet review. Council's Fleet Asset Manager will undertake analysis of existing vehicle usage patterns; distance travelled, fuel consumption, travel time and locations, in order to project Council's EV requirements. This analysis will aid Council in determining the actual number of EVs that can effectively become part of the current fleet, meet our business demands and ensure that we have sufficient accessible charging infrastructure in place.

Once the projected numbers are known, and as budgets and business needs allow, Council will increase its central pool of EV light vehicles during 2016/2017. This incremental approach is recommended as it enables Council to take advantage of emerging EV technologies, vehicle availability, Government purchasing and transport incentives, as well as managing risks associated with charging infrastructure limitations and electricity price fluctuations. We will also be reducing the size of our light vehicle fleet and encouraging staff to walk, cycle, or take public transport.

We will also investigate over the coming year the potential for car-sharing to be incorporated into Council staff vehicle use.

1 current number of fully electric vehicles in the Wellington City Council's vehicle fleet

When: Ongoing

Cost: To be met from within existing budgets

Deliver “Love Food, Hate Waste” with national partners

The average New Zealand household throws away \$563 worth of food every year because they buy too much, do not store it properly or do not use it well. While some is composted,



most of the food ends up as organic waste in landfills adding to our greenhouse gas emissions. Households are responsible for 61 per cent of the country's food waste with supermarkets responsible for 7 per cent.

WasteMINZ, the waste sector industry body, is set to formally launch an anti-food waste campaign “Love Food, Hate Waste” in 2016. Wellington City Council will be delivering this education programme along with 56 other councils around New Zealand.

A similar campaign in England has reduced household food waste by approximately 20 percent since its launch in 2007. Such a reduction would amount to thousands of tons less organic waste for Wellington City, and would reduce our corporate emissions.

We will also be looking for any opportunity to build off of the “Love Food, Hate Waste” campaign and further reduce the amount of food needlessly going to landfill.

When: Ongoing

Cost: To be met from within existing budgets

Procurement

Wellington City Council's Procurement Policy includes measures to support sustainable business practices and minimise adverse environmental impacts of procurement decisions.

Under standard templates, bidders are asked to supply information about their environmental/sustainability policies, strategies, and targets, including steps being taken to reduce greenhouse gas emissions.

The Council's Travel Information Handbook for staff prescribe the purchase of offset units to cover emissions associated with international air travel outside of the European Union, as these emissions are not covered by either domestic or international emissions trading legislation. The cost of offsetting is treated as part of the overall trip costs.

We will look for further opportunities to green the Council's supply chain by monitoring the best available information regarding the sustainability of goods and services being purchased and potentially using new tools available to us under CEMARS.

When: Ongoing

Cost: To be met from within existing budgets

Driving staff behaviour change

The enormous challenge of addressing climate change can be overwhelming. Individuals often feel as though the problem is so huge that it can only be solved by governments or large organisations. However there is much we can all do in our day to day lives to reduce our own carbon footprints and collectively have a major impact on greenhouse gas emissions. What is currently lacking is simple and accessible information to inform those decisions.

We will develop an in-house education programme designed to challenge and inform Wellington City Council staff and drive behaviour change. As a part of this education programme we will investigate the development of an individual carbon calculator that

would allow the user to calculate their personal carbon footprint and measure the impact of their behaviours and choices including diet and travel.

Our staff are also a potentially valuable resource for identifying wasteful practices and proposing energy-saving ideas. We will investigate ways to tap into this resource and develop mechanisms for feeding such information back to our Energy Manager.

When: Ongoing

Cost: To be met from within existing budgets

Making maximum use of the levers we do have

Council has substantial legal powers in areas like encroachments and bylaws. Where possible, Council will investigate aligning these tools to our goals with respect to climate change. Of particular note are areas like road reserve encroachments for garages, where we can be more permissive with encroachments provided infrastructure like electric vehicle charging stations will be installed. Council will investigate where and how these tools can be best employed, and implementing changes where opportune.

When: Ongoing

Cost: To be met from within existing budgets

Carbon management policy and forestry

Wellington City Council produced a Carbon Management Policy in 2011 to guide management of the Council's greenhouse gas emission liabilities from landfill and holdings under the New Zealand Emissions Trading Scheme (ETS) and the Permanent Forest Sinks Initiative (PFSI).

With major changes to the NZ ETS being implemented over the next few years the price of carbon is likely to be highly volatile which will impact both the level of our liability and the value of the units we have earned through our forests or purchased to meet

35,000 emissions trading
scheme units generated per year.

328,000 emissions trading
scheme units banked.

landfill obligations. An implementation plan for our Carbon Management Policy is currently being developed which will guide decisions in respect of all carbon unit activity and manage any financial risks.

We will continue responsibly managing our forests to reduce fire risk and continue our work to control browsing pest animals (such as possums or goats) to enable increased native regeneration and therefore increased carbon sequestration.

When: Ongoing

Cost: To be met from within existing budgets

Improving Consideration of Climate Issues

Currently, all policies, investments and actions that the council takes must be evaluated to determine whether or not there are climate change implications. We will review this practice to ascertain its effectiveness and identify any difficulties or barriers to accessing the required information to accurately evaluate climate change implications and whether there is currently the adequate resourcing to do so.

When: 2016/17

Cost: To be met from within existing budgets

Glossary

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| 21 st Conference of the Parties | The Conference Of the Parties (COP21) was the 21 st annual meeting of international governments to address climate change held in Paris in December 2015. |
| Base year | The year off which targeted reductions are based – the baseline year of emissions. |
| Carbon credits/units | Emission units are often referred to as carbon credits, allowances or offset credits. An emission unit can represent one metric tonne of carbon dioxide itself, or the equivalent of any other greenhouse gas (carbon dioxide equivalent or CO ₂ equivalent). The type of emission unit used in New Zealand to comply with the emissions trading scheme is called the New Zealand Unit or NZU. |
| Carbon sequestration | Sequestration occurs when carbon is removed from the atmosphere either through natural (forest), preventative (carbon capture) or engineering means. |
| Certified Emissions Management And Reduction Scheme (CEMARS) | An Enviro-Mark solutions scheme for measuring council or corporate emissions that audits emissions and holds participants accountable for meeting targets in greenhouse gas reductions. |
| Climate change adaptation | Actions that reduce or address the vulnerability to long term impacts of climate change increasing the ability to survive and thrive in the face of potential climate change impacts. |
| Climate change mitigation | Actions that reduce the amount of overall greenhouse gas released in the atmosphere reducing the potential impact of climate change. |
| Climate-KIC (Knowledge Innovation Community) | A European-initiated public-private partnership created by the EU to develop climate mitigation and adaptation ideas. |
| Climathon | A council-sponsored idea accelerator to develop climate-friendly initiatives that was run globally in concert with Climate-KIC climathons in other cities. |
| Coastal impacts | The climate change impacts that are felt in coastal areas, including sea levels rising, saltwater intruding into water supplies, and damage to coastal infrastructure. |
| Compact of Mayors | A global agreement of mayors to mitigate the impacts of climate change by reducing their greenhouse gas emissions. |
| Corporate emissions | Emissions released by Wellington City Council as an organisation rather than emissions released within the city's boundaries. |
| ETS (Emissions Trading Scheme) | A NZ Government mechanism which creates a trading market resulting in a price on carbon. Some participants are emitters (e.g. industry) and are therefore required to surrender units for their emissions. Others are producers (e.g. forestry) and sequester or remove carbon from the atmosphere. Wellington City Council is both an emitter and a producer. |
| Green roof | A roof sown with a number of plants for a variety of reasons |

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| | ranging from water management to building heating and cooling. |
| Greenhouse emissions | Greenhouse emissions are gases that when released into the atmosphere accumulate and trap heat raising the overall temperature. |
| Greenhouse gas emissions inventory | An assessment of the total emissions released in the city or released by the council. |
| Home energy audit | A two-hour session with an energy efficiency expert to assess a home for energy efficiency ranging from shower flow to lighting quality to window sealing. |
| Intergovernmental Panel on Climate Change / IPCC | A multinational panel of scientists convened to study climate change by the United Nations at the request of member governments. Have recently released their fifth report on climate change. |
| Mobile Emissions | A sector of emissions that are released from mobile sources such as cars, trucks, aircraft and ships. |
| MPR(Minimum Parking Requirement) | A requirement that developers of residential and commercial property include a certain amount of parking based on the number of dwellings or based on floor space. |
| NABERS NZ accreditation | A building accreditation framework which certifies buildings for high performance in relation to energy efficiency. |
| Offsetting | Emissions can either be reduced directly or offset. Offsetting is a practice whereby carbon sinks – such as forests – are planted to offset the impact of an emissions source. |
| PFSI (Permanent Forest Sinks Initiative) | A NZ Government programme to create permanent forests that then yield carbon credits by planting or re-planting land. |
| Range anxiety | Range anxiety describes one of the key barriers individuals have expressed to buying an electric car – worries driven by the fact that electric cars have a relatively short range before needing a recharge relative to their petrol-driven counterparts. |
| Rockefeller Foundation 100 Resilient Cities Network | A city membership network funded by the Rockefeller foundation. It aims to assess and increase resilience to shocks and stresses through funding resilience staff and initiatives in 100 member cities. |
| Shocks and Stresses | Shocks – intense and immediate negative impacts on a city or area like earthquakes or severe storms. |
| Smart Buildings Challenge | A council-driven building energy efficiency challenge where commercial building owners sign up to data analysis tools and commit to reducing energy use by 10% over one year. |
| Smart Energy Challenge | A council-driven business idea accelerator to bring blue-sky climate ideas to Wellington using crowdfunding and mentoring. |
| Stationary Energy | A sector of emissions that are released from buildings or other non-mobile sources – such as from heating, lighting or cooling buildings. |
| tCO2e / Tonnes of CO2 Equivalent | Either direct carbon dioxide emissions or emissions of another greenhouse gas expressed in equivalence to the impact of released carbon dioxide. |

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| Wellington 2050 Energy Calculator | A tool developed by the council that allows individuals to develop emissions reduction pathways based on 31 variable actions in order to meet our 2050 emissions reduction target. |
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SETTING OF RATES FOR 2016/17

Purpose

1. To set the rates for Wellington City for the year commencing on 1 July 2016 and ending on 30 June 2017, under the Local Government (Rating) Act 2002 (LGRA).

Summary

2. Under section 23 of the LGRA, the Council is required to set its rates by resolution.
3. This paper provides for the Council to set rates for the year commencing on 1 July 2016 and ending on 30 June 2017.

Recommendations

That the Council:

1. Receive the information.
2. Having adopted the 2016/17 Annual Plan (including the 2016/17 Funding Impact Statements), resolve under section 23 of the Local Government (Rating) Act 2002 (LGRA) to set the following rates for the year commencing on 1 July 2016 and concluding on 30 June 2017:
 - a. General Rate

A differential general rate under section 13 of the LGRA as an amount per dollar of capital value on each rating unit as follows:

 - A rate of 0.222919 cents per dollar of capital value on every rating unit in the 'Base' differential rating category.
 - A rate of 0.623768 cents per dollar of capital value on every rating unit in the 'Commercial, industrial and business' differential rating category.
 - b. Targeted rate for water supply

A targeted rate for water supply under section 16 and section 19 of the LGRA as follows:

 - For rating units incorporated in the Base differential, either:
 - i. For rating units connected to the public water supply with a water meter installed, a consumption unit rate of \$2.020 per cubic metre of water used, and a fixed amount per rating unit of \$116.40, or
 - ii. For rating units connected to the public water supply without a water meter installed, a fixed amount of \$143.20 per rating unit, and a rate of 0.044305 cents per dollar of capital value.
 - For rating units incorporated in the Commercial, Industrial and Business differential, either:
 - i. For rating units connected to the public water supply with a water meter installed, a consumption unit rate of \$2.020 per cubic metre of water used, and a fixed amount per rating unit of \$116.40, or
 - ii. For rating units connected to the public water supply without a water

meter installed, a rate of 0.423437 cents per dollar of capital value.

c. Targeted rate for sewerage

A targeted rate for sewerage under section 16 of the LGRA on each rating unit connected to the Council sewerage system as follows:

- For rating units incorporated in the Base differential:
 - i. A fixed amount of \$106.60 per rating unit, and a rate of 0.042703 cents per dollar of capital value.
- For rating units incorporated in the Commercial, Industrial and Business differential:
 - ii. A rate of 0.144444 cents per dollar of capital value.

d. Targeted rate for storm water

A targeted rate for stormwater under section 16 of the LGRA as follows:

- For rating units incorporated in the Base differential but excluding those rating units classified as 'rural' under the Council's operative District Plan:
 - i. A rate of 0.035895 cents per dollar of capital value.
- For rating units incorporated in the Commercial, Industrial and Business differential but excluding those rating units classified as 'rural' under the Council's operative District Plan:
 - ii. A rate of 0.04021 cents per dollar of capital value.

e. Targeted rate for the commercial, industrial and business sector

A targeted rate under section 16 of the LGRA as follows for rating units incorporated in the Commercial, Industrial and Business differential:

- i. A rate of 0.042672 cents per dollar of capital value.

f. Targeted rate for the base sector

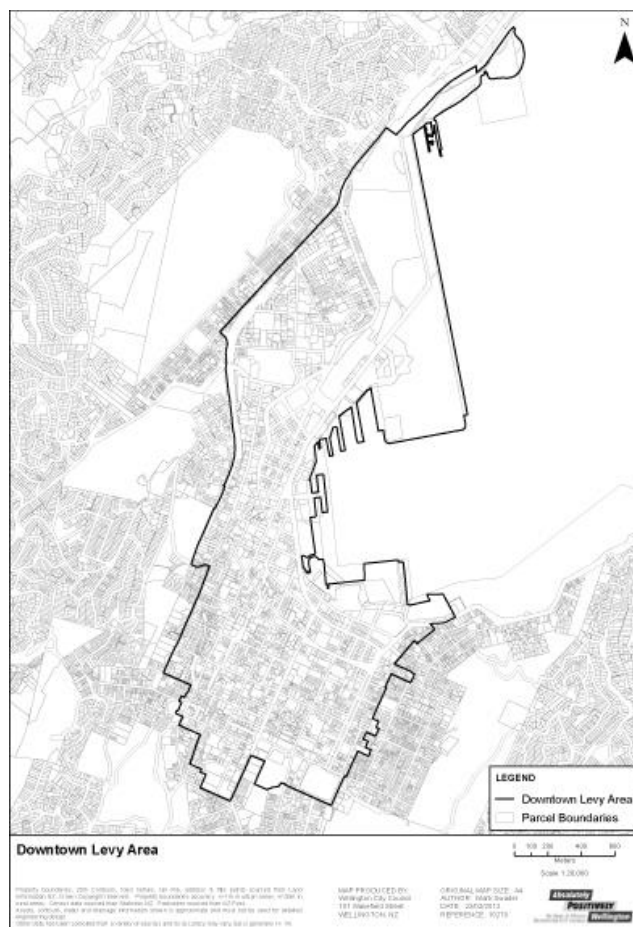
A targeted rate under section 16 of the LGRA as follows for rating units incorporated in the Base differential:

- i. A rate of 0.017089 cents per dollar of capital value.

g. Targeted rate for Downtown Area

A targeted rate for the Downtown Area under section 16 of the LGRA on each rating unit incorporated in the Commercial, industrial and business differential rating category and located within the area designated as downtown, as described by the "Downtown Levy Area" map as approved on 27/06/2012 as part of the 2012/13 to 2021/22 Long Term Plan.

- i. A rate of 0.180703 cents per dollar of capital value.



- h. Targeted rate for Tawa Driveways

A targeted rate for Tawa Driveways under section 16 of the LGRA on each rating unit identified as being one of a specific group of rating units with shared residential access driveways in the suburb of Tawa, that are maintained by the Council as follows:

- i. A fixed amount of \$133.33 p
- i. Targeted rate for Marsden Village

A targeted rate under section 16 of the LGRA on all rating units incorporated in the Commercial, industrial and business differential rating category that are located in the Marsden Village area (refer map) as follows:

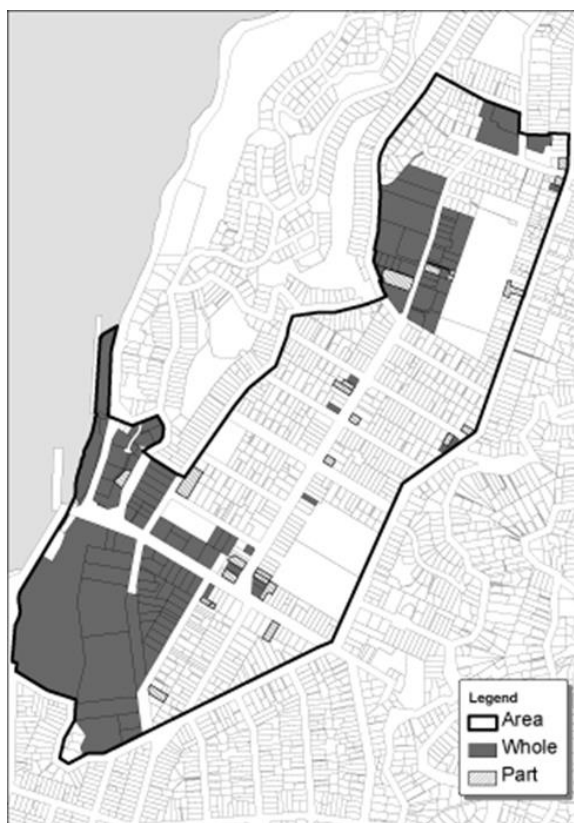
- i. A rate of 0.121538 cents per dollar of rateable capital value.



j. Targeted rate for Miramar Business Improvement District Area

A targeted rate under section 16 of the LGRA to fund the Business Improvement District activities of Enterprise Miramar Peninsula Incorporated on all rating units within the Miramar Business Improvement District (refer map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation or used by local or central government for a non-business purpose as follows:

- i. A fixed amount of \$365.00 per rating unit, and
- i. A rate of 0.036212 cents per dollar of capital value for any capital value over \$1 million per rating unit.



k. Targeted rate for Khandallah Business Improvement District Area

A targeted rate under section 16 of the LGRA to fund the Business Improvement District activities of the Khandallah Village Business Association on all rating units within the Khandallah Business Improvement District (refer map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation as follows:

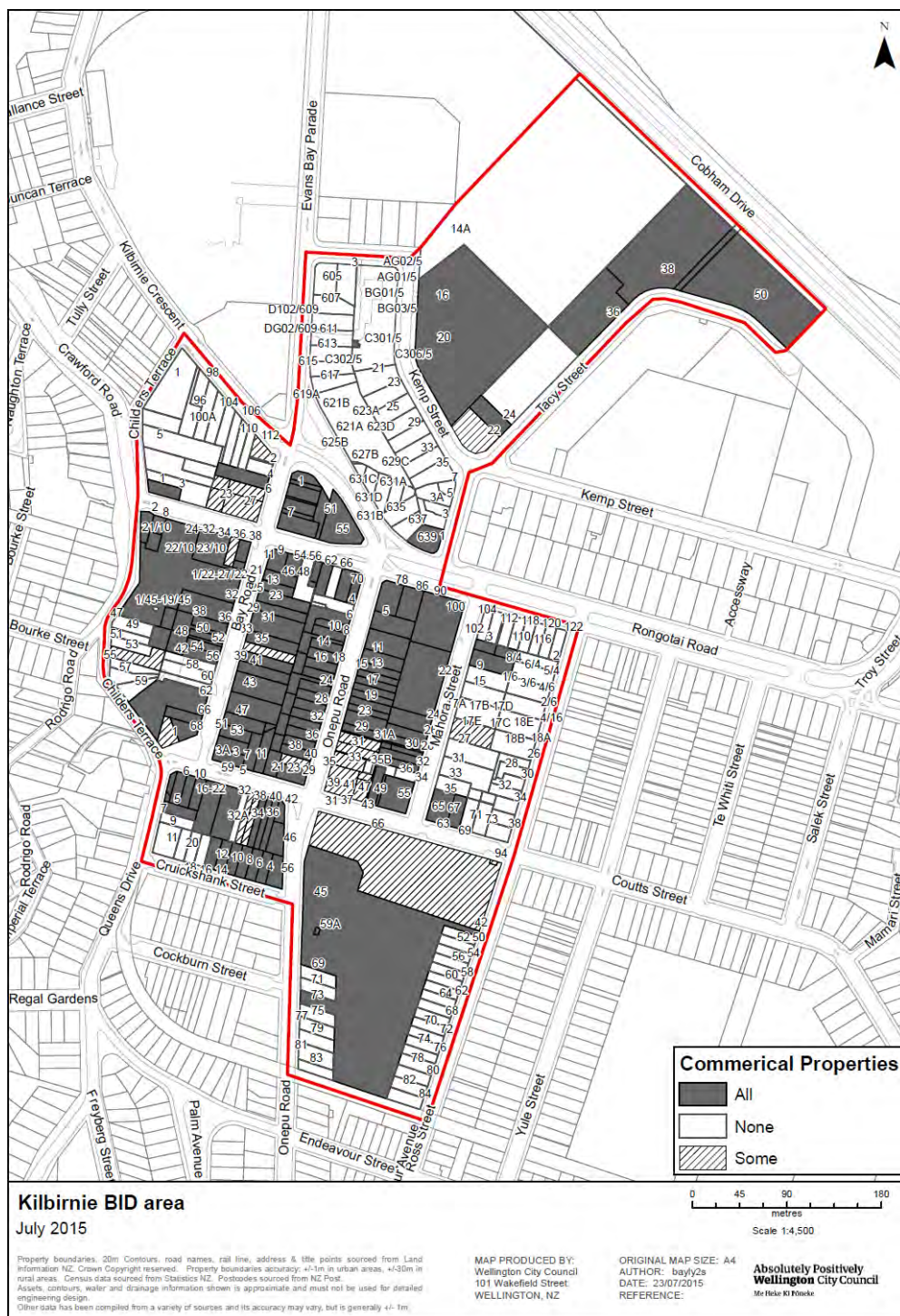
- i. A rate of 0.153139 cents per dollar of rateable capital value.



l. Targeted rate for Kilbirnie Business Improvement District Area

A targeted rate under section 16 of the LGRA to fund the Business Improvement District activities of Kilbirnie Business Network on all rating units within the Kilbirnie Business Improvement District (refer map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation or used by local or central government for a non-business purpose as follows:

- i. A fixed amount of \$500.00 per rating unit, and
- ii. A rate of 0.032943 cents per dollar of capital value for any capital value over \$1 million per rating unit.



- Resolve under section 24 of the Local Government (Rating) Act 2002 (LGRA) to set the following due dates for the payment of rates for the 2016/17 year:

With the exception of targeted water rates where charged via a water meter, all rates will be payable in four equal instalments as follows, with due dates for payment being:

| Instalment Number | Due date |
|-------------------|------------------|
| Instalment One | 1 September 2016 |
| Instalment Two | 1 December 2016 |
| Instalment Three | 1 March 2017 |
| Instalment Four | 1 June 2017 |

Targeted water rates that are charged via a water meter on rating units incorporated under the Commercial, industrial and business differential will be invoiced on a one or two-month cycle, and are due at the date one month after the invoice date, as specified on the invoice.

Targeted water rates that are charged via a water meter on rating units incorporated under the Base differential will be invoiced on a three-month cycle, and are due at the date one month after the invoice date, as specified on the invoice.

Provided that, where the due date falls on a weekend or public holiday, the due date is the next working day.

4. Resolve under sections 57 and 58 of the Local Government (Rating) Act 2002 (LGRA) to apply penalties to unpaid rates as follows:
 - a. A penalty of 10 percent on the amount of any part of an instalment remaining unpaid after a due date in recommendation (3) above, to be added from the day following the due date.
 - b. An additional penalty of 10 percent on any amount of rates assessed in previous years and remaining unpaid at 1 July 2016.
 - c. A further additional penalty of 10% on rates to which a penalty has already been added under recommendation 4(b) if the rates remain unpaid on 1 January 2017.
 - d. A penalty of 10 percent on the amount of any part of water meter charges remaining unpaid after a due date in recommendation (3) above, to be added from the day following the due date.
 - e. An additional penalty of 10 percent on any amount of water charges from previous years that remain unpaid at 1 July 2016.
 - f. A further additional penalty of 10% on water meter charges to which a penalty has already been added under recommendation 4(e) if the charges remain unpaid on 1 January 2017.
 - g. A penalty is calculated on the GST inclusive portion of any instalments unpaid after the due date. GST is not charged on the actual penalty itself.
5. Note that the Council's policy on remission of rates penalties is included in the Council's Rates Remission Policy and that the authority to remit penalties is delegated to the Chief Executive, Chief Financial Officer, Manager Financial Accounting, and the Rates Team Leader.
6. Note that the rates for the year commencing 1 July 2016 and concluding on 30 June 2017 are set excluding GST. GST will be applied when rates are assessed for 2016/17.
7. Rates shall be payable:
 - By cash, cheque or eftpos at the City Service Centre, 101 Wakefield Street, 9am to 5pm Monday to Friday.
 - By cash or cheque at any Post Shop or selected New Zealand Post outlets using a bar coded rates invoice, 9am to 5pm Monday to Friday.
 - By posting a cheque through to our processing centre at the address provided on the rates notice.
 - Using our "rates easipay" direct debit system. Quarterly, monthly, fortnightly and weekly options are available by phoning 04 499 4444 for a set-up form or download from the Council website.

- Through internet banking and telephone banking options.
- By credit card on the Council website.

Background

4. The Governance, Finance and Planning Committee resolved to recommend to Council the adoption of the 2016/17 Annual Plan (including the 2016/17 Funding Impact Statements) at its meeting of 1 June 2016.
5. Under section 23 of the LGRA the Council is required to set its rates by resolution. This paper provides for the Council to set rates for the year commencing on 1 July 2016 and ending on 30 June 2017.
6. Section 57 of the LGRA states that a local authority may, by resolution, authorise penalties to be added to rates that are not paid by the due date. The resolution must state how the penalty is calculated and the date the penalty is to be added to the amount of unpaid rates. Section 58 of the LGRA sets out the penalties that may be imposed.
7. Section 24 of the LGRA requires that the Council state the due date for payment of the rates in its resolution setting rates.
8. Rates for the 2016/17 year are set out on a GST exclusive basis. Note that GST will be added when rates are assessed for 2016/17 to provide the total instalment amount.
9. Pursuant to section 23 (5) of the LGRA, within 20 working days of the making of this resolution, a copy will be sent to the Secretary of Local Government.

Attachments

Nil

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| Authors | Su Mon, Specialist Funding Advisor, Finance Strategy and Planning Martin Read, Manager Financial Strategy and Planning Alina Shpirt, Funding Analyst |
| Authoriser | Andy Matthews, Chief Financial Officer |

SUPPORTING INFORMATION

Consultation and Engagement

The impact of the 2016/17 Annual Plan budgets on Council's rates have been consulted on with the community through the 2016/17 Annual Plan special consultative procedure as required by the Local Government Act 2002.

Treaty of Waitangi considerations

Targeted consultation on the Council's rates funding requirement was undertaken with Iwi as part of the 2016/17 Annual Plan consultation process using existing relationship channels.

Financial implications

This report discusses setting of rates for the 2016/17 financial year. The impacts of the recommendations in this report are significant as it determines Council's ability to collect rates.

Policy and legislative implications

This report meets all statutory requirements under the Local Government (Rating) Act 2002, and is consistent with Council policy.

Risks / legal

This report meets all statutory requirements under the Local Government (Rating) Act 2002.

Climate Change impact and considerations

Implications of climate change have been considered in relation to the 2016/17 Annual Plan, and therefore funding implications as related to the financial strategy, policies, and rates.

Communications Plan

Pursuant to section 23 (5) of the Local Government (Rating) Act, a copy of the rates resolution will be sent to the Secretary of Local Government within 20 working days of Council making this resolution.

