Absolutely Positively **Wellington** City Council
Me Heke Ki Pōneke

ORDINARY MEETING
OF
WELLINGTON CITY COUNCIL
AGENDA

Time:	4:00pm
Date:	Wednesday, 31 March 2021
Venue:	Ngake (16.09) Level 16, Tahiwi 113 The Terrace Wellington

MEMBERSHIP

Mayor Foster
Deputy Mayor Free
Councillor Calvert
Councillor Condie
Councillor Day
Councillor Fitzsimons
Councillor Foon
Councillor Matthews
Councillor O'Neill
Councillor Pannett
Councillor Paul
Councillor Rush
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 04-803-8334, emailing public.participation@wcc.govt.nz or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

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

At the appropriate time, the following karakia will be read to close the meeting.

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

1. 2 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. 3 Announcements by the Mayor

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 24 February 2021 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

The Chairperson shall state to the meeting.

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.

The item may be allowed onto the agenda by resolution of the Wellington City Council.

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

The Chairperson shall state to the meeting that the item will be discussed, but 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 31.2 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

PROPOSED ROAD CLOSURE

Purpose

1. This report asks the Council Committee to approve the temporary closure of roads to enable Newtown Festival to take place, this is a date change due to Covid.

Summary

2. Applications have been made to temporarily close roads for the following events Newtown Festival Street Fair Sunday 11th April 5.00 am to 9.00 pm

Recommendation/s

That the Council:

1. Receive the information.
2. Agree to close the following roads and sections of the roads for the events (as listed below) to vehicles and cycles only, subject to the conditions listed in the proposed Road Closures Impact Reports.
3. Note that recommendations in this report should not be amended without first carrying out further consultation with affected parties and verification from the Council's Traffic Engineers that the amendment is not likely to cause unreasonable impact on traffic.

Background

3. The Council receives numerous requests throughout the year for public roads to be closed for public and private events. In order for the closures to have effect, under Schedule 10 of the Local Government Act 1974. Council approval is requested.
4. The authority to approve requests for road closures is made under schedule 10, clause 11e, of the Local Government Act 1974 and the Transport (Vehicular Traffic Road Closure) Regulations 1965. This authority is delegated to the Regulatory Processed Committee.
5. This report has been prepared in accordance with the procedures that were approved by the Committee of 15 December 2010. In summary these are:
   - An event organiser applies for a road closure where a proposed event requires one.
   - Council officers receive the proposal and assess the merits and need for a road closure.

- The Council advertises its intention to close the road in the public notice column of the local newspaper and on social media.
- Together with event organiser, Council officers ensure consultation with affected stakeholders is carried out and a communciation plan is formulated.
- Any objections are followed up and resolved as far as is practicable.
- The event organiser works together with Council officers who modify any plan in response to public submissions and prepare an impact report for the Committee.
- Council officers recommend any conditions that should apply to the approval.
- The Committee deliberates on the proposed road closure.
- A Council officer notifies the event organiser of the Committee's decision.

6. If the proposed closure is approved, Council officers ensure the event organisers follow the agreed communications plan including notifying the public and affected parties.
7. The event is also monitored to ensure the traffic management plan is adhered to and any associated conditions are followed to keep the public safe and avoid any unreasonable impact on traffic.

Discussion

8. This event is held annually, and the event organiser applies for permission every year.

Public Notification

9. Members of the public have been advised of the road closures and informed of their right to object.
10. The public notice advertising that the Council is proposing to consider this closure notified via the following channels:
    - Dominion Post
    - Facebook
    - Twitter
    - Have Your Say
11. These details are part of the Impact Report:
    - Event organisers are working with resident groups (where applicable), community groups, local retailers and businesses; and have advised them of their intention to close the road.
    - Members of the public will again be advised of the road closures prior to the event.
    - Advanced roadside signage.
    - Media releases.

- Council website.
- Council social media channels.
- This proposed road closure is subject to the Government COVID-19 guideline announcements (or any subsequent announcements) regarding events of this nature. Government timelines will dictate any postponement date should it be required.

Objections

12. No objections have been received for the proposed event.

Impact Assessment

13. A temporary traffic management plan will be prepared by a Council approved traffic management company for approval by Council prior to the event.
14. Any objections as a result of the road closure will be dealt with before the event.
15. The proposed closures (when implemented according to the approved temporary traffic management plan) are generally considered unlikely to unreasonably impede traffic.
16. A detailed impact report for each event, including conditions placed on the event organiser, is attached:

Options

17. Option 1: Agree to the temporary road closures;
18. Option 2: Do not agree to the temporary road closures. If you choose this option, then the events relying on the road closures will not be able to go ahead.

Next Actions

19. If the proposed road closures are approved the event organiser will issue further public notices advising of the approved closures, implement the approved traffic management plan, run the event, and clean the site. Council officers will monitor the impact of the closures and debrief with the organisers following the conclusion of the event.

Attachments

Author	Maria Taumaa, Street Activities Coordinator
Authoriser	Jacqui Austin, Team Leader Street Activities and Audit Coordination Sean Woodcock, Customer, Compliance and Business Service Manager Tom Williams, Chief Infrastructure Officer

SUPPORTING INFORMATION

Engagement and Consultation
Council intention to consider the proposed temporary road closure was notified through an advertisement in the Dominion Post, on Facebook, Twitter, and the Have Your Say website. These advertisements invited the public to make submissions on the proposed road closures.

Event organisers have also consulted the following government agencies and associated organisations:

- New Zealand Police
- NZTA
- Fire and Emergency New Zealand
- Wellington Free Ambulance
- Public Transport Operators
- Relevant Council Business units, e.g. Roading, Communications, WREDA.

Any correspondence received in response to the proposed closures has been included in the attached impact reports.

The City Events Team has assessed the proposed event with regard to contribution towards Council's strategies and policies. The proposed event supports the Council's strategy of being the 'Events Capital 'and will contribute to the economic success of the city.

Treaty of Waitangi considerations
There are no Treaty implications.

Financial implications
The administration of events is managed under Project C481. There are no unforseen costs associated with these events.

Policy and legislative implications
A Council traffic engineer has assessed the proposed road closures with regard to the expected impact on traffic. This information is part of the impact reports.

Risks / legal
Nil

Climate Change impact and considerations
Not applicable.

Communications Plan
Residents and retailers affected by the road closure will be notified by letter drop and contacted by the event organiser.

Health and Safety Impact considered

Health and Safety is covered by the event management plan submitted to Council for approval prior to the event. This is assessed together with the traffic management plan to ensure the event and associated road closures are managed safely.

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PROPOSED TEMPORARY ROAD CLOSURE – IMPACT REPORT

NEWTOWN FESTIVAL STREET FAIR
SUNDAY 11 APRIL 2021 5.00 AM TO 9.00 PM

1. Description of Event

The annual Newtown Festival and Fair is a successful community event attracting very large crowds. Newtown Festival started over 10 years ago as a small community fair and has grown to include 12 stages and over 420 stalls. It is held on the first Sunday in March every year though this year's event was postponed due to Covid – 19.

This event is run by the Newtown Festival Community that involves retailers, residents, community groups and over 200 volunteers are involved.

The proposed road closures to vehicles and cyclists, are as follows:

Newtown Festival Street Fair: Sunday 11 April 2021 5.00 am to 9.00 pm

- **Hall Street (between Riddiford Street and Hall Avenue)**
- **Riddiford Street (between Mein Street and Rhodes Street)**
- **Rintoul Street (between Riddiford Street and Millward Street)**
- **The Rintoul Street closure (between Riddiford Street and Colombo Street) begins on Saturday 10 April 2021 at 6 pm and runs till 11.30 pm)**
- **Columbo Street (west of Rintoul Street up to & including number 9)**
- **The Colombo Street closure begins on Saturday 10 April 2021 at 7 am and extends to 11.30 pm Sunday 11 April 2021)**
- **Emmett Street Green Street (all of Green Street)**
- **Wilson Street (east of Riddiford Street up to & including number 15)**
- **Constable Street (between Riddiford Street and Daniell Street)**
- **Newtown Avenue (east of Riddiford Street up to & including number 21)**
- **Normanby Street (east of Riddiford Street up to & including number 14)**
- **Donald Mclean Street (east of Riddiford Street up to & including number 31)**
- **Donald Mclean Laneway (at 5 Donald McLean) closure of all the laneway begins on Saturday 10 April 2021 at 7 am and extends to 11.30 pm Sunday 11 April 2021**
- **Ferguson Street (south of Donald Mclean Street up to & including number 15)**
- **Arney Street (all of Arney Street)**
- **Gordon Street (all of Gordon Street)**
- **Gordon Place (all of Gordon Place)**
- **The Gordon Place closure from 3 to the end of Gordon Place, begins on Saturday 10 April 2021 at 7 am and extends to 11.30 pm Sunday 10 April 2021**
- **Florence Street (all of Florence Street)**

Proposed Temporary One-Way Traffic 5.00 am to 9.00 pm
Daniell Street – from Constable Street to Mein Street becomes ONE WAY NORTH (as the Festival bypass towards the city)

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Owen Street – from Mein Street to Constable Street become ONE WAY SOUTH (as the Festival bypass from the city)
Mein Street (Parking will be removed both sides from Riddiford Street to top of the Hill)

Please refer to the map on Attachment 1 for further detail.

Parking restrictions are proposed on the above and some surrounding streets. A one-way system for Eastern and some Southern bus services will operate on Daniell Street and Owen Street via Mein Street, which remains two-way at all times. Busses to and from Island Bay will be diverted to the number 4 route which runs via Adelaide Road. The traffic diversion, emergency procedures and the fair footprint are an established format that Council officers, local community, emergency services and the traffic management company have collectively reviewed and used on previous occasions.

Pedestrian access will not be restricted, and emergency services will have immediate access to the area if required. Public transport operators have been notified of the proposed closure,

Road closure notification signs will be in place at least 10 working days prior to the even, as well as electronic message boards on the event day. Residents and local businesses will receive a letter drop advising them of the event, road closures and parking restrictions.

This event is also extensively advertised by posters in local shops and a variety of other media in the week preceding the festival. The traffic during the event is to be managed by a qualified traffic management company. Emergency services will have immediate access to the area if required. Public transport operators have been notified and consulted with over the road closures. Agreement has been reached on suitable temporary bus stops and detour routes for the event with Greater Wellington Regional Council.

2. Events Directorate Support

The Newtown Festival is a long running community event and is regarded as the most successful festival of its type in the city. Wellington City Council provides support for the event through a community Festivals Grant and additional funding from the Events Business Unit.

3. Proposal Notice and Consultation

The public notice advertising that the Council is proposing to consider this closure was notified via the following channels:

- Dominion Post, Saturday 6 March 2021
- Twitter, Tuesday 16 March 2021
- Facebook, Tuesday 16 March 2021
- Have Your Say, Tuesday 16 March 2021

The New Zealand Police and the Ministry of Transport (NZTA) will be advised closer to the event by way of phoning the Watch Tower at central police station and NZTA will be notified by way of the Traffic Management.

4. Objections

There have been no objections to this closure request.

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5. Traffic Impact Assessment

Prior Closures

The road closure is proposed under the powers provided to Council under the Local Government Act 1974, Section 10. Stopping and closing of roads. Schedule 10: Local Government Act 1974, Section 342, Schedule 10

Traffic Impact

Council officers consider that, the proposed closure, if implemented according to an approved traffic management plan, is not likely to impede traffic unreasonably subject to the conditions listed below.

Conditions:

- The road closure is valid from 5 am to 9 pm on Sunday 11 April 2021.
- The event organiser is to notify the public via letter drop to affected parties, advanced signage, and media releases.
- The event organiser is responsible for safety (pedestrian and traffic) within the closed area.
- The event organiser is to provide marshals at all road closure ends to ensure that public safety (interaction of traffic and spectators) is not compromised. This is essential where road closures transition from partial to full closures and vice versa.
- The event organiser is to ensure emergency services (Police, Fire and Ambulance Services) have been consulted with and the Traffic Management Plan includes all their specific requirements.
- The event organiser is to ensure that the affected Property and Business owners along the road closures are advised and consulted with.
- The event organiser must have a Health and Safety plan, which covers how Emergency Vehicles are required to enter the road closure site if required 10 days before the event.
- The event organiser is to provide full details of the Traffic Management Plan to Council for approval no later than ten (10) working days prior to the event.
- Information signs must be installed ten (10) working days before the event.
- The event organiser must provide Council with an Event Hazard/Risk Management plan ten (10) working days prior to the event that describes in full how the event organiser will manage all Health and Safety risks associated with the event.
- The event organiser is to work with the public transport operators to provide alternative public transport routes and bus stops along the proposed partial and full closures.
- Detour routes are to be provided with adequate signage during the road closure period.
- The event organiser is to provide adequate detour routes to provide access for affected residents and businesses during the event, within the Health and Safety plan.
- The event organiser must organise a debrief session (minutes must be taken) as close as possible after the event with all affected parties. These findings must be recorded and distributed to attending parties.
- This proposed road closure is subject to the Government Covid-19 guideline announcements regarding events of this nature. Government timelines and amount of people allowed to congregate will dictate any postponement date should it be required.

However, the Council reserves the right to modify this opinion at any time. If, in the opinion of the Council, the closure may or does impede traffic unreasonably, any approval granted by the Regulatory Processes Committee may be revoked and the event organiser may be required to open the road at the direction of a suitably qualified Council officer in charge of traffic.

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Attachments

- Attachment 1 - Map of proposed closure
- Attachment 2 - Copy of proposal notice from the newspaper

Prepared By ....
Maria Taumaa
Street Activities Coordinator

Approved BY ....
Jacqui Austin
Team Leader Street Activities and Audit Coordination

Proposal to Close Roads

The Council meeting on Wednesday 31 March 2021 to consider the following temporary road closures for events.

Newtown Festival 11 April 2021 5.00am to 9.00pm
Date change only due to Covid

Hall Street (between Riddiford Street and Hall Avenue).
Riddiford Street (between Mein Street and Rhodes Street).
Rintoul Street (between Riddiford Street and Millward Street) The Rintoul Street closure (between Riddiford Street and Colombo Street) begins on Saturday 10 April 2021 at 6pm and runs till 11.30pm.
Colombo Street (west of Rintoul Street up to & including number 9) The Colombo St closure begins on Saturday 10 April 2021 at 7am and extends to 11.30pm Sunday 11 April 2021).
Emmett Street (all of Emmett Street).
Green Street (all of Green Street).
Wilson Street (east of Riddiford Street up to & including number 15 Wilson Street Carpark closure of the north end of the public carpark begins on Thursday 8 April 2021 at 5am and extends to 6pm Saturday 11 April 2021.
Constable Street (between Riddiford Street and Daniell Street).
Newtown Avenue (east of Riddiford Street up to & including number 21).
Normanby Street (east of Riddiford Street up to & including number 14).
Donald McLean Street (east of Riddiford Street up to & including number 31).
Donald McLean Laneway (at 5 Donald McLean) closure of all of the laneway begins on Saturday 10 April 2021 at 7am and extends to 11.30pm Sunday11 April 2021.
Ferguson Street (south of Donald McLean Street up to & including number 15).
Arney Street (all of Arney Street).
Gordon Street (all of Gordon Street).
Gordon Place (all of Gordon Place)
The Gordon Place closure from number 3 to the end of Gordon Place begins on Saturday 10 April 2021 at 7am and extends to 11.30pm Sunday 11 April 2021.
Florence Street (all of Florence Street).

Proposed Temporary One-Way Traffic
During the Newtown Festival closure:

Daniell Street - from Constable Street to Mein Street becomes ONE WAY North (as the Festival Bypass towards the city).
Owen Street - from Mein Street to Constable Street becomes ONE WAY South (as the Festival Bypass from the city).

Any person objecting to a proposed road closure must contact the City Council in writing before 4pm, Friday **19 March 2021** Please send correspondence to Street Activities at mailing address PO Box 2199 Wellington or by email Street.activities@wcc.govt.nz

This proposed road closure is subject to the Government Covid-19 guidelines regarding events of this nature.

Government timelines and amount of people allowed to congregate will dictate any postponement date should it be required.

Wellington City Council
PO Box 2199, Wellington 6140
Wellington.govt.nz

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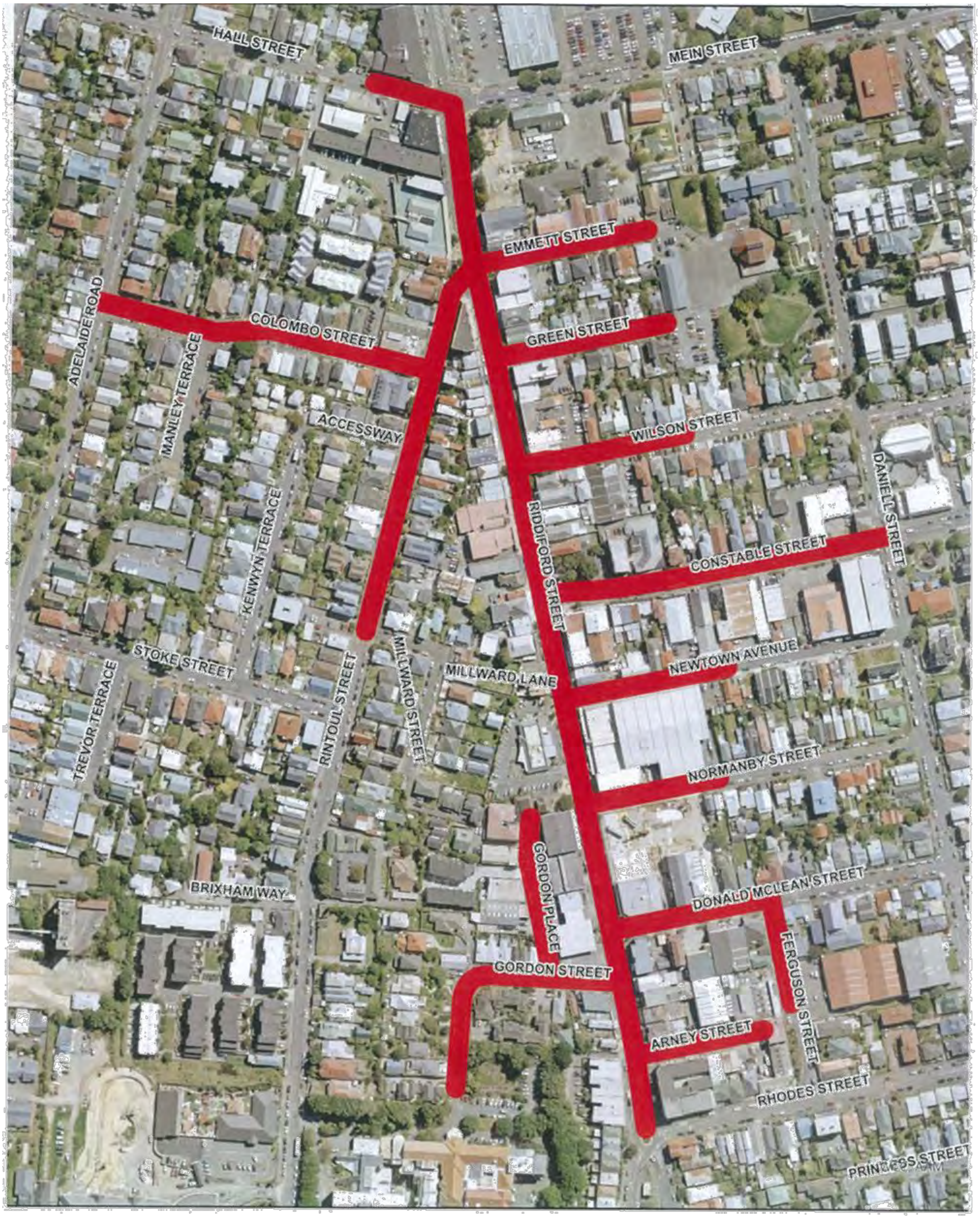
The Dominion Post : 6 Mar 2021



Event Name: Newtown Festival

Event Type: Road Closure From: 11/04/2021 5:00:00 am Until: 11/04/2021 9:00:00 pm

Event Details:

2021-31 LONG-TERM PLAN CONSULTATION DOCUMENT

Purpose

1. This report asks the Council to approve for formal consultation the draft 2021-2031 Long-term Plan. Formal consultation commences on 6 April 2021.
2. The contents for the final Long-term Plan will be recommended to Council by the Long-term Plan and Annual Plan Committee following it deliberations on 27 May 2021. Following deliberations Council will meet on 30 June 2021 to adopt the audited Long-Term Plan.

Summary

3. This report presents the 2021-31 Long-Term Plan Consultation Document (CD) and supporting documents for the public consultation on the LTP starting 6 April. These documents reflect the decisions of the Annual Plan/Long-Term Plan Committee on 18 February and 4 March.
4. A number of changes to the Consultation Document and supporting information have been made as a result of the external audit. There have been no material changes to the options presented for consultation or the financial impacts of those options agreed by the Annual Plan/Long-Term Plan Committee of 18 March 2021. Primarily changes have related to the addition of financial and non-financial supporting information to the detailed consultation options to assist reader understanding.
5. The suite of documents included with this report will be publicly available during consultation which opens on April 6, 2021. Following consultation Council will make final decisions on the LTP which comes into force on 1 July 2021. Both the CD and the final LTP are externally audited and have an audit opinion. The supporting documents for consultation are reviewed by our external auditors (Audit New Zealand) with the CD having an additional layer of review by the Auditor General.
6. The external Auditors will table their opinion to be included with the CD at the adoption meeting by Council (this meeting). As previously indicated at the last Finance, Audit and Risk subcommittee meeting Audit NZ are likely to include in their opinion some emphasis or qualification in relation to the three waters decisions in the CD. This reflects the adequacy of Wellington Water's detailed asset management information. As we understand it, WCC will not be alone in this regard, as audit opinions of other local authorities in the region will also reflect this.
7. Apart from editorial changes there is now no scope for changes to the Consultation Document or supporting information if Council is to meet its consultation dates. Any delay of consultation would most likely have a flow-on impact on meeting our statutory deadlines for delivery of the LTP.

Recommendation/s

Significant Forecasting assumptions

1. Agree to adopt the draft Significant Forecasting Assumptions (Attachment 1) as supporting documents for formal consultation alongside the 2021-2031 Long-term Plan consultation document.
2. Agree to delegate to the Mayor and Chief Executive the authority to make editorial changes to the Significant Forecasting Assumptions that may arise as part of the final audit review process.

Financial and Infrastructure Strategy

3. Agree to adopt the draft Financial and Infrastructure Strategy (Attachment 2).
4. Agree to delegate to the Mayor and Chief Executive the authority to make editorial changes to the Financial and Infrastructure Strategy that may arise as part of the final audit review process.

Statements of Service Provision

5. Agree to the draft Statements of Service Provision (Attachment 3) and the projects and programmes budgets (Attachments 4 CAPEX and 5 OPEX), be included in the 2021-31 draft Long-term plan.
6. Agree to delegate to the Mayor and Chief Executive the authority to make editorial changes to the Statements of Service Provision that may arise as part of the final audit review process.

Note: Draft Statements of Service provision details Council activities, associated performance measures, and the capital and operating expenditure for each activity area.

2021-31 10-year Plan Financial and Funding Policies

7. Agree to adopt the draft Revenue and Financing Policy (Attachment 6) as supporting documents for formal consultation alongside the 2021-2031 draft Long-term Plan consultation document.
8. Agree to adopt the proposed changes to fees and charges (Attachment 7).
9. Agree to adopt the draft Rates Remission Policy (Attachment 8) as supporting documents for formal consultation alongside the 2021-2031 draft Long-term Plan Consultation Document.
10. Agree to adopt the draft Rates Postponement Policy (Attachment 9) as supporting documents for formal consultation alongside the 2021-2031 draft Long-term Plan consultation document.
11. Agree to adopt the draft Investment and Liability Management policies (Attachment 10) as supporting documents for formal consultation alongside the 2021-2031 draft Long-term Plan Consultation Document.
12. Agree to delegate to the Mayor and Chief Executive the authority to make editorial changes to the Revenue and Financing Policy that may arise as part of the final audit review process.

SUPPORTING INFORMATION TO THE CONSULTATION DOCUMENT:

2021-31 Long-Term Plan Financial and Funding Statements

13. Recommend that it is prudent to forecast a surplus of $15.7m in 2021/22, noting that the Council forecasts an underlying balanced budget and that any surplus is a result of items that are presented in the Prospective Statement of Comprehensive Revenue and Expense but do not offset rates.
14. Agree to adopt the Indicative Financial Statements and Statement of Significant Accounting Policies (Attachment 11 and 12) as supporting documents for formal consultation alongside the 2021-31 draft Long-term Plan consultation document.
15. Note that the debt level in the proposed budget breaches the debt limit of 225% Debt:Income ratio in years 1-3 and therefore this, if adopted for the Long-term Plan, would be inconsistent with the council policy per section 80 of the Local Government Act (2002).
16. Agree to adopt the draft Funding Impact Statements (Attachment 13) for formal consultation alongside the 2021-31 draft Long-term Plan Consultation Document.
17. Agree to delegate to the Mayor and Chief Executive the authority to make editorial changes to the above Indicative Financial Statements, Statement of Significant Accounting Policies Financial and Funding Impact Statements that may arise as part of the final audit review process.

Note: Financial and Funding statements include details on projects and programmes.

LONG TERM PLAN 2021-2031 CONSULTATION DOCUMENT

18. Note that Audit New Zealand will attend the meeting and provide their audit opinion on the Consultation Document. Adoption of the Consultation Document will follow the receipt of the Auditor's opinion.
19. Adopt the Long-term Plan 2021-2031 Consultation Document (Attachment 14).
20. Note the summary of Council's Significance and Engagement Policy (Attachment 15) which will be available as supporting material to consultation.
21. Delegate to the Mayor and Chief Executive the authority to make editorial changes to the Consultation Document to reflect decisions made at this meeting or requirements that might arise prior to formal consultation or through audit review process.

Background

8. The proposed Consultation Document, budget, Finance and Infrastructure Strategy, and supporting information in this report are the result of a long-term planning process that began early in 2020 and started first with Community Outcomes and priority objectives. This involved the identification of forecast capital and operating budget requirements through the development of draft service and asset management plans. Councillors then worked through a series of workshops on the key challenges and potential options across each of Councils activity areas. Based on this work, a full draft

budget and key options have been identified and included in this report for Council adoption.

Discussion

9. The Annual Plan/Long-Term Plan committee has reviewed and made a number of decisions relating to the draft Long-Term Plan budget and consultation document and supporting information in their meetings on 18 February and 4 March 2021. Following that review the draft documents have been audited by our external auditors Audit New Zealand.
10. Audit New Zealand have identified a number of changes to our Consultation Document which have been incorporated in the final Consultation Document presented through this report. These changes have been mainly to increase the level of information provided on the key options for consultation.
11. Given the tight timeframes for development of these reports and supporting documents and the scale and complexity of our Consultation Document, Audit New Zealand's final opinion on our Consultation Document is not included in the Consultation Document attached to this report. Instead their opinion will be tabled alongside this report and Audit New Zealand will speak to their opinion alongside this agenda item.
12. In carrying out their audit, Audit New Zealand has particularly focused on the sufficiency of supporting information underlying our planned increase in investment in three-waters infrastructure. In doing so, Audit New Zealand has identified some concerns as to the quality of underlying information behind Wellington Water and Council's planned investment in three waters, and it is likely to be reflected in their opinion.
13. Elected members will note that the Financial and Infrastructure Strategy has been further developed since their last review at the Annual Plan/Long-Term Plan Committee meeting on 4 March 2021. This has been done to reflect final budget decisions made by the Committee. The Financial and Infrastructure Strategy has been a matter of focus of external auditors in their audit of Council's Consultation Document and officers understand that Audit New Zealand are satisfied with its content, notwithstanding their likely matter of emphasis noted above.

Options

14. Should the Council reject the recommended budget, Finance and Infrastructure Strategy and Statements of Service Provision and Consultation Document, then the statutory timeframe for LTP consultation and adoption will not be met. There is now no opportunity to change or develop alternative budgets given statutory deadlines and requirements relating to audit and consultation. To do so will impact the Council's statutory ability to finalise and adopt a new Long-Term Plan by 1 July 2021.

15. The Annual Plan/Long-Term Plan Committee and Council will have further opportunity to review and make final changes to the draft plan and budget at LTP deliberations following consultation in May and June 2021.

Next Actions

16. Following adoption, formal LTP community consultation will commence on April 6 2021.

17. Following consultation, the contents for the final Long-term Plan will be recommended to Council by the Long-term Plan and Annual Plan Committee following its deliberations on 27 May 2021. Following deliberations Council will meet on 30 June 2021 to adopt an audited Long-term Plan.

Attachments

Authors	Geoffrey Coe, Senior Advisor Planning and Reporting Martin Read, Manager Financial Strategy & Treasury Lloyd Jowsey, Team Leader, Planning and Reporting Baz Kaufman, Manager Strategy and Research
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer Sara Hay, Chief Financial Officer

SUPPORTING INFORMATION

Engagement and Consultation

There has been community engagement over the end of 2020 on the community outcomes and priorities, which was reported back to the AP/LTP Committee on 4 February 2021. This engagement feedback has been used to inform decision making on developing the draft budget and consultation document for the LTP.

The draft LTP consultation plan was presented to the AP/LTP Committee on 4 March 2021 which outlined the approach to comprehensive community consultation on the proposal in this paper.

Treaty of Waitangi considerations

This paper includes information on the proposed investment in Council Māori and mana whenua partnerships. The proposed increase in investment in this partnership in the draft plan should enable improved partnership and acheivement of Treaty principles over the life of the LTP.

Financial implications

There are considerable financial implications in approval of the draft LTP plan and budget for consultation. These implications are included in the draft consultation document for community feedback.

Policy and legislative implications

The current and future policy and legislative requirements across Council activities has been considered in the development of the draft plan and budget for this LTP. Approval of the proposed plan in this paper should allow for implementation of Council's obligations in this area.

Risks / legal

The proposed Consultation Document and supporting material aligns to requirements in the Local Government Act 2002.

Climate Change impact and considerations

Climate change is an underlying assumption within the LTP and as a result the impact and considerations around climate change are embedded within the plans driving the LTP. The draft plan and budget includes a significant additional investment in climate change which is an issue within the Consultation Document for community feedback.

Communications Plan

A comprehensive communications plan has been developed for the Long-Term Plan and the plan for consultation on the LTP was reviewed at the AP/LTP Committee meeting on 4 March 2021.

Health and Safety Impact considered

Planning for community consultation has included consideration of the Health and Wellbeing of staff who will be working within the community throughout the consultation period.

Draft Significant forecasting assumptions

The tables below outline the specific forecasting assumptions to be used in the preparation of the 2021 LTP and associated documents. It notes their data source, key challenges and risks around the assumption including commentary on how the risk will be managed.

Population			
Assumption	The long-term population forecast for Wellington City is growth of between 50,000 to 80,000 over the next 30 years. This is the forecast growth projection that underpins our Spatial Planning. Planning within this LTP has been based on existing assumptions provided by Forecast.id growth projections as shown in the table to the right. (this aligns to the low end of Spatial planning projected range for population growth). Once the Spatial Plan is finalised then we will ensure full alignment between our Spatial Plan and LTP.		
Data	Long-term population and demographic assumptions are provided by Informed Decisions (.id) for Wellington City modelling population growth, demographic changes and housing demand at a neighbourhood and city level. These forecasts were created in December 2020 by .id, on behalf of Wellington City. Forecasts are available for each year from 2013 to 2043. They do not consider potential impacts to assumptions stemming from COVID-19. Forecast inputs are based on Statistics NZ data and detailed information from the Council about current and planned residential activity in the city. Note that given COVID-19 we have supplemented our long-term population projections with advice on the short-term effects of COVID-19 on population growth. This advice has not changed this long-term population assumption, however will be used to inform the shorter term ratepayer base growth assumption (see below) which is informed by the short to medium term economic and growth outlook.		
Level of certainty	**Moderate**		
Key risks	*Risk* Population forecast growth assumptions are conservative, which may lead to an	*Effects of risk* If population growth is higher than forecast, added pressure will be put on Council infrastructure and service provision,	*Mitigation* Moderate growth can be accommodated within

Year	Wellington City Population
2020	214,537
2021	216,505
2022	218,734
2023	221,421
2024	223,585
2025	225,587
2026	227,094
2027	228,312
2028	229,303
2029	230,252
2030	231,242
2040	243,958
2043	248,953

	underestimation of population growth. A risk exists that total population growth continues to track higher than average. Risk that short-term growth will be significantly lower than forecast as the impacts of COVID-19 slow levels of migration to Wellington.	leading to possible failure to meet expected levels of service or constraining growth. If population growth is lower than expected, then we risk investing in services and infrastructure that will be over servicing the population. This impact may however be short-term if over the long-term growth continues.	the present level of Council infrastructure. Where higher levels of growth create demand for new infrastructure, the Council will collect development contributions to meet a portion of the costs of new or upgraded investment. Our LTP is updated every three years allowing for growth projections and investment plans to be updated on a regular basis.

Economic growth

Assumption

That the Wellington City economy will continue to be impacted by the effects of COVID-19 until beyond 2023 with GDP remaining lower than March 2020 levels until 2024. Some sectors, including tourism related industries including hospitality will have on-going impacts well into the period of the long-term plan.

Year	Wellington City GDP		Wellington City Unemployment
2019	25,651	2.3%	4.2%
2020	26,135	1.9%	3.8%
2021	25,332	-3.1%	4.2%
2022	25,904	2.3%	4.7%
2023	26,021	0.5%	4.5%
2024	26,537	2.0%	4.4%
2025	27,189	2.5%	4.3%
2026	27,815	2.3%	4.1%
2027	28,464	2.3%	4.0%
2028	29,128	2.3%	3.8%
2029	29,786	2.3%	3.8%
2030	30,430	2.2%	3.8%

Data

Economic projections are based on economic modelling of Wellington City economy undertaken by Infometrics commissioned in January 2021. This report will be available on the WCC LTP website.

Level of certainty

Moderate

Key risks

	Risk	*Effect of risk*	*Mitigation*
Key risks	Economic growth is lower than forecast due to: • the impacts of COVID-19 before more severe or lasting longer than anticipated • external market factors	Lower levels of economic growth will impact the affordability of Council plans: • ratepayer base growth assumptions will be inaccurate (see later assumption) • the affordability of Council services will be lower for	We have been conservative in our assumptions around economic recovery to reduce the likelihood of this downside risk Our economic assumptions will be closely monitored and any resulting updates to our long-

	• insufficient investment in infrastructure/services constraining city development	households, businesses and users of services	term plans will be made through Annual Planning process

Growth in ratepayer base

Assumption

Year	Capital value growth	Rate units*
2021/22	0.6%	86,602
2022/23	0.6%	87,494
2023/24	0.6%	88,568
2024/25	0.6%	89,434
2025/26	0.6%	90,235
2027/28	0.6%	90,838
2029/30	0.6%	91,325
2030/31	0.6%	91,721
2031/32	0.6%	92,101
2032/33	0.6%	92,497

* The rate units are stated at the end of the preceding financial year

Data	*Ratepayer base growth is based on current property information from Council valuation service provider (Quotable Value Ltd), forward looking consenting, historic trends and expected population growth assumptions provided by Informed Decisions Ltd.*		
Level of certainty	**Moderate**		
Key risks	*Risk* The growth in the ratepayer base is higher or lower than projected.	*Effects of risk* If growth is higher than forecasted, average rates funding increase will be reduced by an equivalent amount as there is a greater number of ratepayers across which the rates funding requirement will be allocated. If growth is lower than forecasted, the average rates increase for the ratepayer will be higher. The annual impact of a 1 percent of variance in growth in the ratepayer base is	*Mitigation* We will measure and report on growth in the rating base and review the projections and underlying strategy on a regular basis. Ratepayer growth assumptions are reconfirmed through each Annual Planning exercise and provide the opportunity to adjustment plans based upon updated growth projections.

		equivalent to approximately $3.9 million of rates in 2021/22.	

Civil defence and emergency

Assumption	The assumed risks of a significant earthquake are in line with Wellington lifelines planning and relate to likelihood of earthquakes at different scales on the Modified Mercalli intensity (MMI) scale. Likelihood captured in the table below.

MMI level	Average return period
MMI7	~30 years
MMI8	~120 years
MMI 9	~400 years
MMI 10	~1350 years

Data	Sourced from Wellington Lifelines report 2019.		
Level of certainty	**Low**		
Key risks	*Risk* That a significant event occurs during the period of the Long-Term Plan	*Effects of risk* The city is unable to recover sufficiently or quickly enough in order to prevent long-term adverse effects on the population or local economy.	*Mitigation* In order to recover from a significant event the Council has insurance and debt provision to provide some flexibility to respond financially to adverse events. The Council is further prepared to respond to large events, as some response plans are in place and staff members are regularly trained. However, work is needed to ensure that learnings from any activation are captured and contribute to the ongoing improvement of the city's preparedness. A key focus for this LTP will be improving the city's resilience. There will be a number of earthquake strengthening and resilience projects aimed at helping us mitigate the adverse impact of a significant event and manage our event insurance costs.

Climate change

Assumption	We assume climate change occurs in line with Ministry for the Environment's global emissions scenarios ranging from low to high greenhouse gas concentrations these are informed by the Intergovernmental Panel on Climate Change (IPCC). The most notable impact of which for Wellington City will be increased risks of coastal storm surge, and higher frequency and magnitude of flooding events, both

exacerbated by sea level rise and increased volumes of water during rainfall events.

Table 12 from the MfE guidance informs our base assumptions for planning being:

Table 12: Minimum transitional New Zealand-wide SLR allowances and scenarios for use in planning instruments where a single value is required at local/district scale while in transition towards adaptive pathways planning using the New Zealand-wide SLR scenarios

Category	Description	Transitional response
A	Coastal subdividion, greenfield developments and major new infrastructure	Avoid hazard risk by using sea-level rise over more than 100 years and the H+ scenario
B	Changes in land use and redevelopment (intensification)	Adapt to hazards by conducting a risk assessment using the range of scenarios and using the pathways approach
C	Land-use planning controls for existing coastal development and assets planning. Use of single values at local/district scale transitional until dynamic adaptive pathways planning is undertaken	1.0 m SLR
D	Non-habitable short-lived assets with a functional need to be at the coast, and either low-consequences or readily adaptable (including services)	0.65 m SLR

For detailed guidance on the application of these assumptions see MfE guidance.

Data	Assumptions are directly informed by Ministry for the Environment projections for Wellington and Wairarapa.		
Level of certainty	**Moderate –** while there is certainty on the direction of change, there is uncertainty as to the speed at which the climate and sea level rise will change.		
Key risks	*Risk* That sea level rise may be lower or higher than planned for.	*Effects of risk* If sea level rise happens slower than assumed, then we will have over invested in mitigating or management strategies. The impacts of this may be short-term as sea levels continue to rise over the longer-term. If sea level rise is faster than assumed then we will have	*Mitigation* The effects of sea level rise occur over a long-period and we will regularly review climate predictions as we make choices around our investment and as we regularly update our long-term plans.

		increased levels of service interruption, including to storm water and transport services.	We also plan in the longer term to transition towards dynamic pathways planning.
Resource consents			
Assumption	Conditions for existing resource consents held by the Council will not be significantly altered. Any resource consents due for renewal during the 10-year period of this plan will be renewed accordingly.		
Data	**N/A**		
Level of certainty	**Moderate**- there is some uncertainty around consenting conditions for the renewal of some Council consents: • Stage 1 of the global consent for stormwater discharge expires in 2023, for stage 2 and future consents there is a likelihood of more stringent conditions as the requirements of the National Policy Statement for Freshwater Management come into effect • Consenting of any sludge minimisation plant in the coastal environment would be significantly more challenging than the current site • Landfill consents expire in 2026. Given the Southern Landfill consenting conditions are substantially about the management of water, there is a likelihood that conditions will be substantially more rigorous.		
Key risks	*Risk* Conditions of resource consents are altered significantly. The Council is unable to renew existing resource consents upon expiry	*Effects of risk* The financial effect of any change to resource consent requirements would depend upon the extent of the change. A significant change in requirements could result in the Council needing to spend additional funds to enable compliance.	*Mitigation* Generally, the Council considers that it is fully compliant with existing resource consents. Changing consenting conditions will be inputs into planning individual projects- for example in the scoping of any landfill or sludge minimisation investment.
Inflation			

Assumption	***Cost adjustors***

Inflation rates have been estimated using the BERL mid-scenario Forecasts of Price level Change Adjustors to 2031. We also assume that the Reserve Bank will use monetary controls to keep CPI within the 1.5 percent to 3 percent range.

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	*20 yr ave*
Planning and regulation	3.2%	1.7%	0.5%	2.7%	2.5%	2.3%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	*2.0%*
Roading	2.3%	1.9%	0.8%	3.3%	3.1%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	*2.5%*
Transport	2.8%	1.8%	0.7%	2.9%	2.6%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	*2.2%*
Community activities	2.0%	1.7%	-0.2%	3.2%	2.7%	2.5%	2.4%	2.5%	2.4%	2.5%	2.6%	2.6%	2.4%	*2.1%*
Water and environmental management	3.8%	2.5%	-3.8%	6.0%	3.5%	2.6%	2.7%	2.9%	2.8%	3.2%	3.3%	3.4%	3.1%	*2.5%*
WCC HR cost adjustor			2.8%	2.4%	1.5%	1.7%	2.0%	2.2%	2.3%	2.4%	2.6%	2.7%	2.7%	*2.5%*

Interest revenue – forecast to remain constant. Interest rates do not increase annually in line with rates of inflation.

Data	***Inflation rates applied –*** Inflation rates have been estimated using the BERL Forecasts of Price level Change Adjustors to 2031. We also assume that the Reserve Bank will use monetary controls to keep CPI within the 1.5% to 3% range. Inflation is affected by external economic factors, most of which are outside of the Council's control and influence.
Level of certainty	**High**

Key risks	*Risk*	*Effects of risk*	*Mitigation*
	That actual inflation will be significantly different from the assumed inflation.	The Council's costs and the income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made.	Annual review through the annual plan process.

Cost of carbon

Assumption	WCC assumes that the cost of carbon will inflate over the coming years as per the table below-

Year	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Rise to $50 in Year 2 by 2031 with ongoing 2% growth thereafter	$35.00	$35.00	$50.00	$51.00	$52.02	$53.06	$54.12	$55.20	$56.31	$57.43	$58.58	$59.75
% increase from 2020		0%	43%	46%	49%	52%	55%	58%	61%	64%	67%	71%

	This assumption directly informs the carbon unit costs related to the Southern Landfill. More broadly the growing cost of carbon will have implications on the investment profile of individual projects and design of Council services, these impacts will be considered through the establishment of frameworks the Council will use in future project investment analysis and service review.		
Data	Short to medium term price assumptions are based on price controls in the NZ ETS (The initial Cost Containment Reserve price trigger to be set at $50 in 2021 and rise by two per cent for each subsequent year). Over the long-term these assumptions trend in line with the long-term price signals from the 2018 Productivity Commission report *'Low Emissions Economy'* that signals a need for prices to move to between $75 and $200 by 2050.		
Level of certainty	**Moderate –** the certainty of our cost of carbon assumption is moderate particularly beyond 2025 when current ETS regulatory price controls expire. A range of factors including the pace of technological change and level of economic activity could significantly affect both the long-term trend and year on year costs.		
Key risks	*Risk* That actual inflation will be significantly different from the assumed inflation.	*Effects of risk* The Council's carbon unit costs and the landfill income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made. This includes to secondary impacts on other Council budget lines, for example the cost of fuel and electricity, which are not directly informed by this carbon price assumption.	*Mitigation* Annual review of the budget through the annual plan process.

Asset revaluations

Assumption

Assumed growth in asset values are outlined in the table below. Growth in Council asset values are key drivers of forecasting increasing capital investment and depreciation rates.

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	40/41	50/51
Buildings Revaluation	16.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Waters Revaluation	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Treatment Plant Revaluation	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Roading Revaluation	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

Depreciation and revaluation of property, plant and equipment (including water and transport assets)

Financial forecasts in this Long-Term Plan include a 3-yearly estimate to reflect the change in asset valuations for property, plant and equipment in accordance with the Council's accounting policies.

The following assumptions have been made for this LTP:

- The Council will continue its policy of fully funding depreciation which is affected by asset revaluations
- Revaluation movements shall equate to the inflation rates applied for all depreciable property, plant and equipment (refer to the "Inflation" section)
- The value of non-depreciable assets (such as land) is forecast to remain constant

Data	Asset revaluation assumptions are based off asset valuation analysis provided by CBRE and BERL.		
Level of certainty	**Moderate –** moderate uncertainty in how Council asset values will change over time		
Key risks	*Risk* That actual asset value growth will be significantly different from the assumed rates.	*Effects of risk* Asset value growth at higher rates than assumed will lead to increasing pressure on rates and borrowing levels. This risk has impacted Council planning repeatedly in recent years as asset value growth has exceeded budgeting assumptions.	*Mitigation* Annual review of assumptions through the annual plan process.

Significant Asset lifecycles

Assumption

The estimated useful lives of significant assets will be as shown in the Statement of Accounting Policies. The asset life of key assets (three waters and transport is included below). The majority of the significant assets will continue to be revalued every three years. It is assumed that assets will be replaced at the end of their useful life. Ranges in average ages relate to the variability of component parts of assets and changing material and design of assets over time.

Key Asset – Pipes	Asset life in years
Water pipes	50-95
Water reservoirs	40-100
Water pumping stations	20-100
Sewer pipes and tunnels	60-110
Sewer pumping stations	20-80
Stormwater pipes	50-130
Stormwater pump stations	20-100

Key Asset – Roads	Asset life in years
Surface	10
Base	50
Bridges	80
Footpaths	20-50
Retaining walls	50-75
Sea walls	80-100
Kerbs and channels	70-120

It is also assumed that:

- the majority of the significant assets will continue to be revalued every 3 years.
- assets will be replaced at the end of their useful life.
- planned asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets.

Data	Assumptions of asset lives are informed by guidance on the Useful Life of Infrastructure from the NAMS Council and Council actual condition information of assets.		
Level of certainty	**Mixed –** The level of certainty of useful lives of assets ranges across different asset types. Underground assets that are not easily accessible have lower levels of confidence on their current condition and therefore expected remaining useful lives.		
Key risks	*Risk* That assets wear out earlier or later than estimated.	*Effects of risk* Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated. The financial effect of the uncertainty is likely to be immaterial.	*Mitigation* Generally, we have the ability to prioritise work programmes should assets wear out earlier or later than estimated. In addition we are actively investing in improving the quality of asset condition information including of our three waters assets, to reduce the likelihood of this risk.
Interest rates- cost of borrowing			
Assumption	The Council borrowing rates for debt will change as per the table below.		

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	50/51
Effective Interest Rate	2.52%	3.03%	3.34%	3.26%	3.48%	3.58%	3.45%	3.59%	3.74%	3.72%	3.58%

Data	Assumption reflects Council actual borrowing rates along with forecast rates based on hedging position and range of economic forecasts.		
Level of certainty	**High -** There is relative higher levels of certainty over short-term borrowing rates for Council debt in the short term given hedging policies. Longer-term, certainty levels are lower as interest rates are subject to wide range of factors.		
Key risks	*Risk* That prevailing interest rates will differ significantly from those estimated.	*Effects of risk* Based on the minimum hedging profile, a 0.1 percent movement in interest rates will increase/decrease annual interest expense by between $200,000 and $1,000,000 per annum across the 10-year period of this plan	*Mitigation* Interest rates are largely driven by factors external to the New Zealand economy. The Council manages its exposure to adverse changes in interest rates through the use of interest rate swaps. At any time Council policy is to have a minimum level of interest rate hedging equivalent to 50 percent of core borrowings.
Expected returns on investment and funding sources			

Assumption	We assume that the impacts of COVID-19 will mean that **WIAL dividend** income will be zero in 2021/22 before progressively increasing back to pre COVID-19 levels by 2024/25. The Council has made assumptions on the level of subsidies it expects to receive from central government through the **NZTA** over the period of the plan. This is that the normal Funding Assistance Rate (FAR) is expected to remain at 51 percent of eligible expenditure for the period of the plan. It is assumed that NZTA subsidy will apply to 85% of our transport programme of work excluding the majority of cycleways which the NZTA subsidy is assumed to apply to 100% of.		
Data	**n/a**		
Level of certainty	**Low –** We have a lower than normal level of certainty on WIAL dividend assumptions given the current economic climate and impacts of COVID-19. **Moderate –** NZTA have indicated that given cost pressures the level of NZTA funding available for our transport investment may reduce, because of this, current draft NZTA income assumptions have a moderate level of uncertainty but will be agreed prior to the adoption of the LTP.		
Key risks	*Risk* That the That WIAL dividends are significantly lower than assumed or that NZTA makes further changes to the subsidy rate, the funding cap or the criteria for inclusion in the subsidised works programme.	*Effects of risk* If the actual returns/revenues from these sources are significantly less than forecast, the Council will need to look for alternative funding through rates or borrowings.	*Mitigation* Annual review of assumptions through the annual plan process.
Ability to deliver capital programme			
Assumption	We assume that there will be market capacity to deliver our planned capital programme. This will be supported by careful programme planning, investment in internal capability and Wellington Water increasing their capability, capacity and use of innovation and scale.		
Data	**n/a**		
Level of certainty	**Moderate** – There is always an inherent level of risk in delivering a capital programme, particularly one that is substantially increased. Although we have plans to manage this risk there remains uncertainty. In the short-term this is linked to the ongoing effects of COVID-19 border measures on labour and material supply, in the longer-term this relates to the ability of the supplier market to respond to regional investment plans and on how other planned infrastructure investment across the region progress.		
Key risks	*Risk* That our capital programme is not able to be delivered as planned.	*Effects of risk* If we are unable to deliver the planned capital programmes, then the benefits of investment will be delayed. For projects aimed at enabling growth, this could constrain the pace of growth. There will also be delays to our planned capital	*Mitigation* Regular monitoring of our capital programme progress, and adjustments to plans through the formal Annual Planning process.

		expenditure profile with flow on impacts on borrowing and operating expenditure projections.	Careful programme planning, investment in internal capability and Wellington Water increasing their capability, capacity and use of innovation and scale. If unable to deliver the capital programme, Council will prioritise renewals work (to prevent asset failure and resulting service interruptions) and critically review the planned capital upgrade work programme including identifying opportunities for deferral of works.
Level of service			
Assumption	For this 10-year plan we assume that: • the current demand for Council services and customer expectations regarding business as usual levels of service will not significantly decrease during the planning period • beyond what is specifically planned for and identified in this 10-year plan, there will be no significant additional impact from above pressures on asset requirements or operating expenditure.		
Data	**n/a**		
Level of certainty	**Moderate**		
Key risks	*Risk* That there are significant changes in the impact of pressures on the demand for services or levels of service beyond those planned in this plan.	*Effects of risk* If customers begin to expect a higher level of service, we either risk decreasing residents' satisfaction or an increase in ongoing costs to maintain a higher level of service	*Mitigation* The Council has well defined service levels for its planned activities, which have been reviewed as part of the 10-year plan process. Customer satisfaction surveys and other engagement strategies generally support the key assumptions made within the 10-year plan and therefore there are currently no known additional areas of the Council's service that require significant modification.
Three waters reform			
Assumption	While the Government's three waters reform programme is currently underway, and the Council is participating in that work, the Government is not expected to make a decision on the reforms until May 2021. As such, for the purposes of planning it is assumed that three water services will continue to be delivered through their existing		

<table>
<tr><td></td><td colspan="3">arrangements between the Council and Wellington Water over the life of the Long-Term Plan.</td></tr>
<tr><td>Data</td><td colspan="3">Our assumption is in line with SOLGM advice on the treatment of reforms as outlined in their practice note Three Waters Reform in the 2021-31 Long-Term Plans</td></tr>
<tr><td>Level of certainty</td><td colspan="3">Uncertain</td></tr>
<tr><td>Key risks</td><td>Risk
That the three waters reform leads to changes to the management and/or ownership of Council's three waters assets</td><td>Effects of risk
A change in ownership of three waters assets would have substantial direct impacts on Council finances and its financial and infrastructure strategy. It could also have second order impacts on Council's long-term planning in other areas given fundamental changes to the Council's financial position. For example, our debt to revenue position may be negatively affected should the value of three waters debt that is transferred be disproportionately lower relative to three waters income compared with wider Council debt and income levels.</td><td>Mitigation
Any decisions on the Council's involvement in reforms would require consultation with the community and that would include full consideration of the direct and second order impacts.</td></tr>
</table>

Social Housing funding	
Assumption	It is assumed that alternative sources of funding for City Housing renewals and upgrades is identified in the first year of this LTP and capital upgrade costs related to years 2 onward, and capital replacement costs related to year 4 onward are funded through this alternative means. Work is required to explore these options and may, for example, include establishment of a Community Housing Provider to take ownership of City Housing. Some alternative funding approaches, such as a change in ownership of City Housing, would be a significant change within our Significance and Engagement Policy and would require a statutory consultation process to be undertaken in the first year of the LTP.
Data	**n/a**
Level of certainty	**Low –** there is low certainty on the likelihood of alternative funding as no decisions have been taken to date and no commitment has been provided by central govt to provide funding. The establishment of a Community Housing Provider is possible but this option has not yet been debated by the Council and no community consultation on such a proposal has yet been undertaken. There is moderate certainty however that if these alternative arrangements were agreed to that they would successfully address the financial sustainability issues facing City Housing.

<table>
<tr><td>Key risks</td><td>Risk
That we are not able to find alternative funding arrangements for city housing as assumed.</td><td>Effects of risk
If alternative funding is not secured in time for year 2 of this LTP then there will be significant unfunded capital costs required. This would require some re-prioritisation of the capital programme however City Housing reserves can be used to fund renewals and legislative upgrade requirements such as Healthy Homes requirements.</td><td>Mitigation
Council's Annual Planning process provides a process whereby reprioritisation of the capital programme can be undertaken.
Setting a debt limit at 225%, below the 280% limit of the LGFA covenant provides some flexibility for future additional debt.</td></tr>
<tr><td colspan="4">Sludge funding</td></tr>
<tr><td>Assumption</td><td colspan="3">It is assumed that off balance sheet funding for the sludge minimisation project is able to be secured (through the Infrastructure Funding and Financing legislation (IFF)). This would enable the project to proceed without impacting Council debt limits.</td></tr>
<tr><td>Data</td><td colspan="3">n/a</td></tr>
<tr><td>Level of certainty</td><td colspan="3">Low – While the sludge minimisation project appears to fit the criteria for IFF financing, Council has only recently initiated the application process via Crown Infrastructure Partners.</td></tr>
<tr><td>Key risks</td><td>Risk
That we are not able to secure off balance sheet funding arrangements for sludge minimisation as assumed.</td><td>Effects of risk
Until funding is secured then the sludge minimisation project would not be able to proceed, or alternatively reprioritisation of the capital programme or alternative Public Private Partnerships would be required.
Delays in confirming the sludge minimisation project would impact planning for dependant pieces of work, in particular the future of the Southern Landfill and waste minimisation activities.</td><td>Mitigation
Council's Annual Planning process provides a process whereby reprioritisation of the capital programme can be undertaken.
Alternative Public Private Partnership that will enable Sludge to be financed off balance sheet are being investigated in parallel.
Setting a debt limit at 225%, below the 280% limit of the LGFA covenant provides some flexibility for future additional debt.</td></tr>
<tr><td colspan="4">LGWM funding</td></tr>
<tr><td>Assumption</td><td colspan="3">Only initial $270m costs of LGWM delivery projects plus programme funding are included in our budget given the significant uncertainty about the full future programme scope and costs of LGWM, including the funding split for those costs. Their exclusion from the budget does not mean the Council does not plan to proceed with LGWM, the Council remains committed to improving Wellington's transport infrastructure as envisioned through the LGWM programme.
Their exclusion from the budget however mean that future further costs of LGWM identified through business cases will either need to be funded alternatively and/or accommodated through further extending the Council's debt position agreed to through this LTP. Alternative funding arrangements are preferred and, for example, may</td></tr>
</table>

	include identification of new revenue streams such as traffic demand management or off balance sheet funding arrangements through the Infrastructure Funding and Financing legislation.		
Data	**n/a**		
Level of certainty	**Low**		
Key risks	*Risk* That alternative funding for the full costs of LGWM are not able to be identified and, in order to proceed with LGWM business cases, the Council would have significant unbudgeted costs. The need for the Council to identify alternative funding or make significant variations to this LTP to accommodate additional costs may also lead to delays to decision making around programme business cases.	*Effects of risk* This would either require Council to accommodate additional costs into an amended budget with breaches of proposed current rates and debt limits or aspects of LGWM may not be able to proceed. The effect of this risk on Council finances and the programme is significant given the draft size of the full programme identified in the indicative programme business case was $3.2b for the three partner organisations.	*Mitigation* The LGWM partners are engaging with the Minister of Transport on the range of funding tools. Setting a debt limit at 225%, below the 280% limit of the LGFA covenant provides some flexibility for future additional debt should Council decide that LGWM investment warrants further extending the debt position. Council's Annual Planning process also provides a process whereby reprioritisation of the capital programme can be undertaken.
Funding sources – ground leases			
Assumption	That long-term ground leases for Michael Fowler Centre carpark, Municipal Office Building and Civic Administration Building are all secured in the first two years of the LTP to enable revenue from those ground leases to be used to pay down Council debt. Proceeds from those ground leases would be approximately $27m		
Data	**n/a**		
Level of certainty	**High –** While the MFC carpark negotiations are more advanced and therefore the likelihood of ground lease more certain, the MOB and CAB sites are less certain as we have not yet tested the market. Council has had valuations on the land and unsolicited queries from the private sector about opportunities with Civic Square. The need to gain resource consent for demolition of those buildings and potential consultation requirements associated with that also creates risks to this assumption		
Key risks	*Risk* That long-term ground leases are not able to be secured in the timeframe of this assumption or are at a lower value than assumed.	*Effects of risk* If long-term ground leases are delayed or at a lower value then that may impact Council's debt position and may lead to breach of proposed debt to revenue limits.	*Mitigation* Council's Annual Planning process provides a process whereby reprioritisation and/or rephasing of the capital programme can be undertaken.
Sale of assets			

Assumption	We have assumed sale proceeds from asset sales of $48m will be realised to repay borrowings across the 10-year period of this plan.		
Data	**n/a**		
Level of certainty	**Moderate –**		
Key risks	*Risk* That the sale of assets do not occur at forecasted levels.	*Effects of risk* If the level of asset sales is less than forecasted, either our level of debt will increase by the relevant amount or the Council may consider revising its level of asset investment. The interest cost of servicing this debt will be lower or higher depending on the level of asset sales.	*Mitigation* Council's Annual Planning process provides a process whereby reprioritisation of budget can be undertaken. Setting a debt limit at 225%, below the 280% limit of the LGFA covenant provides some flexibility for future additional debt.
Insurance			
Assumption	The Council will maintain its current level of asset insurance to indemnify itself against the expected damage caused in a one in one thousand year earthquake event. This level will cover approximately 70% of the forecast loss, with the remaining 30% of the loss assumed to be funded by debt.		
Data	The 1-1000 year event loss estimates for Council owned assets are calculated by GNS. This informs our strategy on how we transfer the risk to a third party and also the level of financial risk that is held by Council if third party risk transfer is not available or affordable.		
Level of certainty	**Moderate –** Price and available capacity of insurance is reducing over time in areas of the world that are deemed to be of high risk, as a result of a natural disaster.		
Key risks	*Risk* That the Council is not able to secure sufficient insurance That the increasing costs of holding insurance exceed available budget. That the financial loss to the assets in a major event is significantly greater than that estimated.	*Effects of risk* An inability to secure sufficient insurance or actual losses exceeding estimated loss would mean that not all assets would be able to be repaired or replaced post the earthquake event. Meeting increasing costs of insurance to maintain coverage would have direct impacts on rates and fees and user charges.	*Mitigation* The assumptions that drive the 1-1000 damage estimates are updated every 2-3 years by GNS to ensure up-to-date asset information is understood e.g. buildings that are based isolated and unlikely to have any major damage. Council is also working to minimise potential impacts of an event through significant investment to earthquake strengthen buildings (base isolation). New developments and renewal of our assets are also done with earthquake resilient materials e.g. Water pipes, reservoirs, tunnels and bridges.

			The Forecast Debt limit includes the provision of the 30% debt funding of the forecast loss.
LGFA			
Assumption	Each of the shareholders of the LGFA is a party to a Deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and the guarantee obligations of other participating local authorities to the LGFA, in the event of default. Council assumes no default event occurring during this Long-Term Plan.		
Data	**n/a**		
Level of certainty	**Low –** The Council believes the risk of the guarantee being called on and any financial loss arising from the guarantee is low. The likelihood of a local authority borrower defaulting is extremely low and all of the borrowings by a local authority from the LGFA are secured by a rates charge.		
Key risks	*Risk* In the event of a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantor's relative rates income.	*Effects of risk* Payment would be required by Wellington ratepayers for the relevant amount in default	*Mitigation* The structure and makeup of the LGFA through the foundation documents sets out the protections and processes of guarantees and defaults. The LGFA Risk management committee, reporting framework, Key performance indicators and variance at risk all mitigate the risk eventuating
Renewal of external funding			
Assumption	It is assumed that the Council will be able to renew existing borrowings on equivalent terms		
Data	**n/a**		
Level of certainty	**High –**		
Key risks	*Risk* That new borrowings cannot be accessed to fund future capital requirements.	*Effects of risk* Future capital programmes may be delayed and the Council improvement programmes/infrastructure assets may not receive the required investment.	*Mitigation* The Council minimises its liquidity risk by maintaining a mix of current and non-current borrowings in accordance with its Investment and Liability Management Policy.
Weathertight homes			
Assumption	The Council will continue to spread the cost incurred by settling weathertight homes claims by funding claims from borrowings and spreading the rates funded repayment across a number of years. This 10-year plan assumes that the Council's weathertight homes liability will be fully settled and the associated borrowing repaid		

	over the 15–year period.		
Data	**n/a**		
Level of certainty	**High**		
Key risks	*Risk* That the level of the claims and settlements is higher than provided for within the 10-year plan.	*Effects of risk* The weathertight homes liability is an actuarial calculation based on the best information currently available. The liability provided for within the Council's financial statements is $50 million, a 1 percent change in this figure would equate to $0.5 million.	*Mitigation* N/A.
General rates differential			
Assumption	It is assumed that the general rates differential will remain at 3.25:1 Commercial: Base/Residential over the 10-year period of this plan.		
Data	**n/a**		
Level of certainty	**High**		
Key risks	*Risk* That the Council makes the decision to change the general rates differential from forecast.	*Effects of risk* Should the Council decide to change the general rate differential, the maximum it could be expected to move would be from 3.25:1 to 1:1 Commercial: Base/Residential. This could potentially transfer the rates impost from Commercial ratepayers back to Base/Residential ratepayers of approximately $60 per annum.	*Mitigation* Council's Annual Planning process provides a process whereby rates differential can be reconfirmed regularly. .

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Financial and Infrastructure Strategy

2021 – 2051

Contents

STRATEGIC OVERVIEW AND PURPOSE

Introduction

He toka tū moana, ara he toa rongonui - strong like a rock in the rapids.

A City's physical infrastructure is the basic foundation upon which its residents can thrive. Good infrastructure is critical but usually taken for granted. Poor infrastructure can bring a City to its knees – it can undermine economic confidence and – at worst – can undermine public health.

Good infrastructure is also expensive, which means that funding for infrastructure renewals, replacements and growth has to be prioritised and protected. At the same time, this investment must be balanced with affordability, intergenerational benefits and the Council's other investment priorities.

Why this strategy is important

The scale of the capital investment we need to make in our infrastructure assets is substantial. This level of investment to be affordable, both now and in the future, requires a robust and informed strategic planning approach that considers the most effective prioritising, timing and financing of these investments. Getting these decisions wrong may have serious consequences not only for our City's basic infrastructure but also for the Council's future financial sustainability.

At the same time, the environment in which the Council operates is rapidly changing. A combination of external pressures and risks, and the evolving expectations of our communities, means that we need to take a comprehensive and long-term view of the financial challenges we face, and a strategic plan to allow us to respond to them. Some of these emerging financial challenges include:

- The impacts of a global pandemic
- The increasing unaffordability of housing in the City
- A Mayoral Taskforce that highlighted challenges with three waters infrastructure
- The emergence of a new blueprint for the future shape of the City (Planning For Growth)
- A requirement to review our District Plan for the Government's National Policy Statement on Urban Development (NPS-UD) by mid-2022
- The closing of the Central Library due to seismic concerns with public safety
- The declaration of a climate emergency, and adoption of Te Atakura (first to zero carbon emissions)
- The emergence of the plan for Let's Get Wellington Moving (LGWM)
- An ambitious waste minimisation plan that aims to reduce waste to landfill by one third within ten years.

- A productivity commission review of Local Government funding that has resulted in no new funding sources for Local Government

The response to these financial challenges requires improvements to our levels of services both in operational areas and increasing the amount of infrastructure. In areas not specifically referenced in this document, we need to maintain levels of service at current levels. To achieve this, we have to make sure that:

- The impact on rates of the planned investment is included in the rates increases forecast across the 30 years of our long-term plan.
- We are able to fully fund depreciation on current assets to generate cashflows needed to renew assets as forecast across the 30 year infrastructure strategy.

It is important that we continue to raise awareness of Te Ao Māori where everything in the world is believed to be related or interconnected. This approach, including the relationship between humans and the rest of nature promotes being responsible kaitiaki. We intend to increasingly bring this focus on wellbeing and reducing our impact on the environment into our financial and infrastructure planning this commitment being the platform for the development of further work on integrating Te Ao Māori into the implementation of the resulting actions.

Objectives of the strategy

The overarching objective of the F&IS is to ensure that financial and infrastructure investment decision-making directly supports the Council's strategic objectives and the Long-Term Plan (LTP). Underpinning this, the F&IS also aims to:

- Outline the current health of the Council's finances and infrastructure networks
- Identify significant issues and costs over the next 30 years
- Identify the main options for managing the issues
- Enable effective financial and infrastructure investment decision-making by providing a framework to assess, prioritise, consult on and finance proposals
- Commit the Council to a set of funding limits and other financial measures to ensure that our long-term plans are sustainable and affordable costs
- Outline how we manage our assets and ensure sufficient funding is generated to maintain infrastructure networks and the services they provide

Principles of financial and infrastructure investment decision-making

The following set of principles are designed to enable consistent and effective financial and investment decisions, and they form the basis of the F&IS:

- **Affordability** – focusing on areas that offer the greatest outcome.
- **Fairness & intergenerational equity** – applying debt funding and depreciation to ensure ratepayers pay for assets as they are using them.
- **Sustainability** – investment priorities include areas that grow the economy and the Council's rating base.
- **Maintaining a balanced budget** – each year the Council will raise sufficient income to fund the operating costs (including depreciation) of providing its services.
- **Managing our investments and equity securities** – we optimise the return on our overall investment portfolio, and provide diversity in the Council revenue sources.
- **Operating a policy on securities** – using our rates revenue as security on our borrowings.
- **Managing insurable risk** – we achieve an adequate level of insurance at acceptable value for money.
- **Maintaining transparency** – our priorities are costed and the funding methods and tools are clear to ensure the community is aware of our proposals and their implications.
- **Funding capital expenditure** – generally funded initially by borrowing and then repaying borrowing by rating for depreciation. Other funding sources include development contributions for infrastructure to meet the demand for growth, government subsidies and donations.
- **Funding operating expenditure** – funded through general and targeted rates, fees and charges, investment income, government subsidies (eg NZTA) and other funding sources.

Community Outcomes

To help prioritise our Long-term Plan investment we developed a Community Outcomes Framework to put community wellbeing at the centre of our planning. These community outcomes drive our investment choices across our infrastructure

• Environmental	• Social
• **A sustainable, climate friendly eco capital** • A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations	• **A people friendly, compact, safe and accessible capital city** • An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe and healthy
• Cultural	**• Economic**
• **An innovative, inclusive and creative city** • Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve and enjoy arts, culture and heritage.	• **A dynamic and sustainable economy** • The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while working towards an environmentally sustainable future.

Wellington Water Limited

Wellington Water Limited (WWL) provides drinking water, wastewater and stormwater services on behalf of client councils – Hutt City, Porirua City, South Wairarapa District Council, Upper Hutt City, Wellington City and the Greater Wellington Regional Council. WWL is a council-owned, shared service organisation. A representative from each council sits on the regional Wellington Water Committee, which provides overall leadership and direction for the company. Wellington Water is governed by a board of independent directors.

WWL aims to deliver services focusing on three customer outcomes:

- Safe and healthy water: ensuring a safe drinking-water supply and work to protect communities from exposure to the harmful effects of wastewater overflows.
- Respectful of the environment: seeking to avoid harm to the natural and built environment and, over time, enhance it for the benefit of future generations.
- Resilient networks that support the economy: maintaining reliable water networks that can withstand shocks and stresses, and future-proof those networks to support a strong regional economy now and into the future.

Water is of great significant to Māori /iwi. Our local iwi are Taranaki Whānui (the legal entity representing its interests is 'Taranaki Whānui ki te Upoko o te Ika a Maui') and Ngāti Toa Rangatira (the legal entity representing its interests is 'Te Rūnanga O Toa Rangatira'). Representatives from each iwi are members of the Wellington Water Committee to provide a local te ao Māori perspective and enable the role of iwi as partners, as envisaged under the Treaty of Waitangi, to be brought alive at the governance level.

CURRENT FINANCE & INFRASTRUCTURE SETTINGS & HEALTH

Our current financial position

The Council's current financial position is strong and compares well to other local authorities. We have a robust balance sheet with manageable levels of debt relative to the assets and income generating investments we own; as at 30 June 2020:

- Our total assets were valued at have a $7.6 billion replacement cost. Our debt to income ratio of 128% was within our agreed limit of 175% and was lower than most metropolitan councils in New Zealand.
- We held income generating investments of almost $468 million which would help offset our total level of debt of $662 million if they were sold.

In February 2021, the independent credit rating agency Standard & Poor's confirmed the Council's credit rating at AA+/A-1+. This means we continue to have a very strong capacity to meet our financial obligations and commitments.

Operationally, we consistently set a tax (rates) to cover our net costs (after other revenues) to break even each year (a balanced budget). Our sources of income are diversified, meaning that more than one third (36%) of our operating costs are funded from sources other than rates.

How we fund capital expenditure

Capital expenditure represents expenditure on property, plant and equipment. Property, plant and equipment are tangible assets that are held by the Council (for example: bridges, libraries, swimming pools). Capital expenditure is funded from rating for depreciation, development contributions, capital funding, and restricted funds or through new or extended borrowings as outlined below:

- If the capital expenditure relates to the replacement (renewal) of an existing asset, that expenditure will be temporarily funded by borrowings. These borrowings will be repaid by rating for depreciation over the life of the asset. Any surplus rate funded depreciation, after paying for the replacement of Council assets, will be used to repay borrowings.
- If the capital expenditure relates to the construction or purchase of a new asset or to the upgrade or increase in service potential of an existing asset, that expenditure will usually be funded from new or extended borrowings. Borrowing is the most cost-effective and equitable way to do this as it spreads the cost of the asset over all the generations who will benefit from it, making it affordable to ratepayers today.
- On projects where based on financial prudence, the Council may impose a targeted rate to repay borrowings on an asset at a faster rate than over the full life of the asset.

- The Council will use capital funding from third parties to fund investment in new or upgraded assets (such as funding received from the NZ Transport Agency).
- The funding of capital expenditure from the sale of surplus assets is decided on a case-by-case basis. Funds received from the sale of surplus assets that are not applied to the funding of capital expenditure shall be used to repay borrowings.
- The funding of capital expenditure from restricted or special funds is decided on a case-by-case basis and is subject to the specified purposes and conditions governing the use of those restricted funds.
- If an approved capital expenditure project is not completed by the end of the financial period, the unspent funds may be carried forward to the next financial period to enable the project to be completed.
- The Council has agreed that Development Contributions are to be used as the primary funding tool for capital expenditure related to population and employment growth for: water, wastewater, stormwater, roads, and reserves. The Council will continue to collect residual RMA based Financial Contributions on developments consented prior to 2005/06. In some circumstances, funds collected under either the Development Contributions Policy or the Financial Contributions Policy in the District Plan will result in a corresponding decrease in the amount to be funded from new borrowings.

How we fund operating expenditure

Establishing the level of operating revenue required to fund operating expenditure

Operating expenditure pays for the Council's day-to-day operations and services, from collecting rubbish and providing street lighting to maintaining gardens and issuing building consents. The Council will set its projected operating revenue at a level sufficient to meet the current year's projected operating expenditure, except where the Council resolves that it is financially prudent not to do so. When setting projected operating revenue at a level that is different from the level of projected operating expenditure the Council will have regard to:

- the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the 10-year plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life
- the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life
- the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life
- the funding and financial policies adopted under section 102 of the Local Government Act 2002.

In accordance with these principles, the Council has determined that the following items will not be funded:

- *Non-funding of depreciation on Council assets*. The Council may elect not to fund all or part of the depreciation expenditure on specific assets in those circumstances where it is not financially prudent to do so. In accordance with section 100 of the Local Government Act 2002, the Council considers that it is not financially prudent to fund depreciation in the following circumstances:
    - where the original asset purchase was not funded by borrowings, or the original borrowings have been repaid, and
    - where, on an ongoing basis, the replacement of the asset at the end of its useful life will be funded by a third party, or

  - o where the Council has elected not to replace the asset at the end of its useful life.
  - o where a third party has a contractual obligation to either maintain the service potential of the asset throughout all or part of its useful life (or to replace the asset at the end of its useful life) and the Council already effectively funds this through operating grants/tariffs payable to the third party.
- *Non-funding of depreciation on waterfront assets*. The Council has transitioned the waterfront project 'in-house' during 2014/2015. This acquisition has necessitated a transition toward funding the depreciation of all waterfront assets by 2024/25. This transition funding will link the cost of funding to the benefits received over time.

Options available for funding Council services

The Council uses the following mechanisms to fund operational expenditure requirements:

- General rates. General rates are used to fund public goods where it is not possible and/or practical to clearly identify customers or users. The general rate is also used to fund activities where, for reasons of fairness, equity and consideration of the wider community good it is considered that this is the most appropriate way in which to fund an activity.
- Targeted rates. This form of rate is used where an activity benefits an easily identifiable group of ratepayers (such as the commercial or residential sectors) and where it is appropriate that only this group be targeted to pay for some or all of a particular service. For example, sewage disposal, water supply and the downtown targeted rate.
- Fees and charges. User charges are direct charges to people and/or groups who use certain Council services such as swimming pools. In these instances, an identifiable benefit exists to clearly identifiable people and/or groups and they are required to pay for all or part of the cost of using that service. It is noted that, since 2006, councils have been required to inflation adjust all income and expenditure within their 10-year plans. Where appropriate and with consideration to 'ability to pay' principles, user charges will be increased by the rate of inflation to achieve continued alignment with the funding policy targets. Grants and subsidies apply to some activities when income from external agencies is received to support that particular activity.
- Borrowings. In general, the Council does not fund operating expenditure by borrowing. The exception is to fund the impacts on ratepayer's intergenerational equity or to fund expenditure over the period which benefits are received, such as weathertightness payments. Any borrowings associated with these expenses will be repaid over time.
- Other sources of funding. The Council also funds operating expenditure from other sources, including income from interest and dividends from investments held by the Council, lease income and proceeds from asset sales.

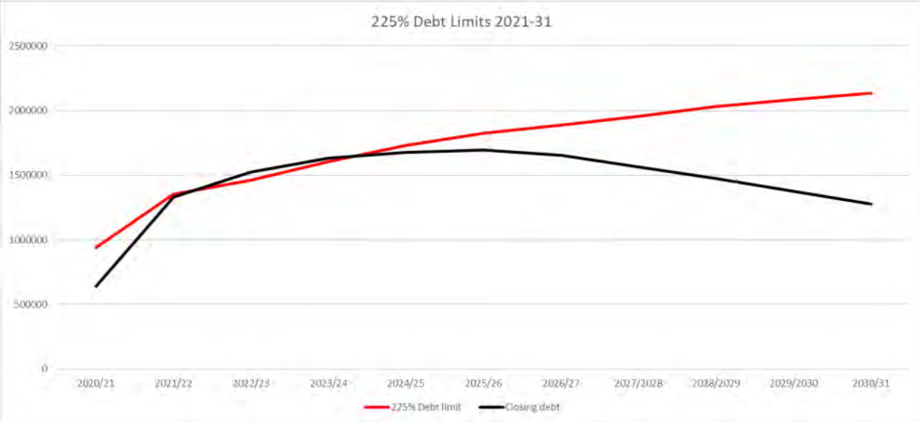
Financial trends and implications

While the current health of the Council's finances remains sound, there are underlying financial trends that highlight the increasing financial pressures the Council is facing. While current debt levels are manageable, they have also been steadily increasing. Similarly, our strong asset base is placing increasing pressure on our operating costs due to higher costs of maintenance and debt financing.

Looking ahead, the trend over the forecast period of this LTP shows a further weakening financial position. With the proposed capital program over the next ten to thirty years, the level of borrowings is forecast to increase to the highest ever level. The proposed level of debt causes further operational costs (e.g. interest and depreciation funding) which need to be funded – from sources like rates, fees and charges.

Setting funding limits at a prudent level is essential to ensure the ongoing financial sustainability of the Council.

The below graph shows the projection of the Councils net debt level against a debt to income ratio of 225%.



Asset ownership

Of the $7.9bn of assets we own, approximately two thirds of these are core infrastructure assets for the provision of the three waters services and transport.

The current state of our assets

According to the best information we have, our transport assets are generally well maintained and in reasonable condition, see table below. For water assets however, the picture is not is so clear. There are gaps in our knowledge about critical assets, this is essential to help WWL to intervene with planned maintenance or replacement before assets fail, and to drive an ongoing programme of renewal and enhancement. Achieving the desired level of performance will require significant investment over the next 30 years.

This improved data is expected to show a requirement to increase the amount of renewals, and increased capacity to accommodate the forecast growth and ensure our assets are resilient to earthquakes, storms and the impacts of climate change.

The three waters networks in particular, have a significant number of assets that have exceeded their expected useful life (see section on Managing our Infrastructure). As the 2019/20 Mayoral Taskforce on Three Waters noted, “as assets age, their condition deteriorates and they become increasingly prone to failures such as leaks and overflows that require a reactive operational response”.

A breakdown of the assessment of asset **data** is detailed below:

	Replacement Cost	Condition (1-5)	Performance (1 -5)	Data confidence (A-E)	AM Maturity
• Transport	• $1.6bn	• 2- Minor defects only	• 2 - Good • minor shortcomings	• A-B Minor inaccuracies (1)	• Intermediate (3)
• Water	• $1.1bn	• 3- maintenance required	• 2 - Good	• A-B Minor inaccuracies (1)	• Under review
• Stormwater	• $1.2bn	• 3- maintenance required	• 3 - Moderate	• A-B Minor inaccuracies (1)	• Under review
• Wastewater	• $1.6bn	• 3 - Maintenance required	• 3 - Moderate	• A-B Minor inaccuracies (1)	• Under review
• Parks, Sport & Recreation	• $948m	• 2- Minor defects only	• 2 - Good	• B Minor inaccuracies	• Basic (3)

	Replacement Cost	Condition (1-5)	Performance (1 -5)	Data confidence (A-E)	AM Maturity
• Waste Operations	• $39m	• 3 - Maintenance required	• 2 - Good minor shortcomings	• B Minor inaccuracies	• Basic (3)
• City Housing*	• $370m	• 3 - Maintenance required	• 3 Moderate	• B Minor inaccuracies (2)	• Basic (3)
• Corporate property **	• $489m	• 3 - Maintenance required	• 2 - Good	• B Minor inaccuracies (2)	• Basic (3)
• Community centres, halls & childcare facilities	• $14m	• 3 - Maintenance required	• 3 - Moderate	• B- Reliable / C - uncertain	• Basic (3)
• Libraries	• $56m	• 2 - Minor Defects Only	• 2 - Good minor shortcomings	• B– Reliable	• Basic (3)

(1) Independent valuer rating 2020
(2) Independent assessments in 2019 & 2020
(3) Independent assessment 2021

Condition, data confidence and criticality are all based on a 5 point rating scale included in Appendix A.

Asset risks and issues

We face a number of substantial risks and issues:

- Asset replacement timing is fundamentally determined by asset management planning.
- Good asset management planning is reliant on the quality and completeness of the data and information held on the assets. This enables more accurate predictions of when to replace assets.
- Despite the overall assessment of the information in the table above, there are risks in maintaining asset networks. This strategy has focused on getting a better understanding of the criticality and condition of assets to enable and perform better asset management planning and reduce the risk of asset failure and service interruptions
- The Mayoral Taskforce identified several weaknesses in the way that water assets are managed; these have been presented to Elected Members and are now shaping the future management of these assets in Wellington City.

CHALLENGES

The challenges below are the factors that are expected to have a significant impact on the Council over the Long-term plan, including significant infrastructure issues. A summary of the main challenges and responses is included below:

Challenge 1 – Infrastructure - Looking after what we have

While there is a requirement to provide for our growing population regionally, we want Wellington to stay compact making the best use of what we have.

The key challenge in looking after what we have is:

Renewing assets at the end of their life, and addressing backlogs and bow waves

The timing of asset renewal is driven by a number of factors including condition, utilisation, capacity and criticality. It is also impacted by an organisation's risk appetite, sometimes the cost saving of deferring the renewal of an asset may outweigh the risk of failure.

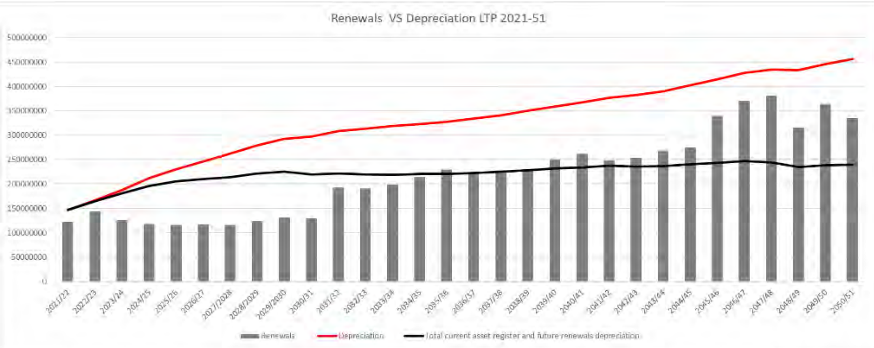
We have been improving the quality of our asset data to help us make better decisions on when to replace assets, so we can continue to deliver the target level of service at an efficient cost. This plan sees increased operating funding for condition assessment of our three waters assets to enable better informed decisions and management of this infrastructure.

A significant portion of our infrastructure assets were set-up after the Second World War and so are now becoming ready for replacement over the next 30 years (termed a bow wave). In some instances we also need to catch up on some of the replacements that have been needed (backlog) over the last few years.

The cost of replacing these assets is increasing due to higher costs driven by factors including:

- Increasing rates in the construction sector, indemnity from risk in consenting and legal challenges to consent decisions
- increasing central government regulation such as ensuring we are protecting biodiversity and improving water quality on behalf of our residents
- health and safety requirements during construction. We are continually looking at ways to be more efficient to be able to limit the impact on our borrowings and our ratepayers.

The timing of the renewal of assets is guided by our asset management plans. Over the 30 years covered by this infrastructure strategy we plan to spend a total of $6.6 billion renewing this infrastructure. This is expected to increase the average condition score of the networks as a significant proportion of older and poorer quality pipes are replaced with better quality modern materials that, in the case of pipes, are more resilient to earthquakes.



*the above graph is inflated

The above graph shows that the budgeted renewals (grey bars) is lower than the depreciation funding for the first 14 years. This surplus depreciation funding will pay down debt. From year 15 where the amount of forecast renewals exceeds depreciation on the existing assets (black line) this will draw down on the debt balance. This indicates that there is a higher level of renewals as more assets are forecast to come to the end of their useful life. This indicates that sufficient renewal activity is taking place compared to the funding of existing (2021) assets.

The red line shows the full depreciation funding including depreciation on existing and new assets (from 2020 on). As these new assets often have a long life and do not require a replacement earlier in their life a depreciation surplus is created (the gap between the red line and the grey bars), which pays down debt which will be re-borrowed when these assets come to the end of their useful life. This gap / surplus is why we need to allow for headroom under the debt limit. See the Managing our Infrastructure section for the headroom requirements.

Challenge 2 – Housing and Urban Development - Growing & Changing

Population Growth

One-quarter of the regional growth or approximately 50,000 to 80,000 people over the next 30 years are expected to be accommodated in Wellington City, including the Let's Get Wellington Moving corridor and 'greenfields' development sites, which is the undeveloped land to the north of the city which will require new or upgraded infrastructure services to be provided to the new properties.

As a result of increased population growth, the region is facing several challenges, including:

- Maintaining compact urban form
- Housing demand and affordability
- Urban development feasibility
- Transport capacity driving the need to provide for mode shifts
- Infrastructure capacity
- Financial sustainability challenges for the future.

Many of these challenges are regional issues that are best dealt with together and not individually. They cross local council boundaries, and the maximum benefits can be had from tackling these together.

Response - Planning for growth

Wellington City Council has been working with other Wellington regional councils and Horowhenua District Council, central government and iwi on a Regional Growth Framework (RGF). The RGF team are currently working on a joint governance mechanism for adoption and implementation of the RGF. This will help to ensure that we manage growth across our region in an optimal way.

The RGF incorporates our 'Planning for Growth' work which includes the development and adoption of a draft spatial plan for the City leading to a full review of our District Plan. To ensure that we can accommodate the growth, significant investment will be required. Most notably in our three waters infrastructure, community facilities (including green space), and transport networks, including the development and improvement of walking and cycle networks and prioritising the development of public transport infrastructure.

The capital expenditure on assets for growth for the plan is $0.56 bn over 10 years. In the latter years (11-30) covered by this infrastructure strategy current planning assumes growth will occur within existing urban areas. We propose to cater for growth as we renew our assets.

It is clear that this is not enough to cater for the forecasted growth in Wellington. Over the next two year the Spatial and District planning process will be completed in Wellington. Once that is set the level, type and place of infrastructure investment required for growth will be more clearly understood. This is another reason Council must maintain debt headroom to accommodate this additional investment in the future.

Further work is also being done over the next three years to assess what increased investment is needed in our community facilities and parks and reserves network to support the growth. This will be completed in time for the 2024/25-34 LTP. To enable investment in the increased capacity of infrastructure networks to enable growth, sufficient financial headroom is required to be maintained until the costs of the increased capacity is known. This is enabled with setting the debt:income ratio (debt) limit at 225% of the income level. This allows for the limit to be raised in the future to enable this expenditure.

Housing Affordability

Housing prices in Wellington have risen significantly recently and this has put considerable pressure on those on lower incomes and those buying their first home.

Influencing the availability of affordable housing – As the council is not able to sustainably deliver the level of social and affordable housing that residents in the city need, we plan to partner with central government and other housing providers. In March 2020 the Strategy and Policy Committee adopted a Housing Action Plan. This plan covers the 2020-22 Council triennium and focuses Council efforts on four key programmes:

- Planning for Growth – the development of a new Spatial Plan and District Plan changes that will support more development to accommodate population growth of 50,000 to 80,000 over the next 30 years.
- One-stop shop – a series of efficiency improvements to our consenting processes to support development of new housing
- Te Mahana (Homelessness strategy) – this is a collaboration with other agencies to ensure all Wellingtonians are well housed.
- Proactive development – we are actively supporting additional supply by working with commercial providers on converting office space into affordable apartments.

In addition to the above, over the coming year we will investigate how we can best increase affordable housing outcomes for the city.

We are also proposing to increase the access to residential rates postponement where there is a temporary affordability issue for ratepayers which may occur in the early years of the plan with double digit rates increases.

Response - Providing social housing

The Council is already one of the city's, and country's, largest providers of social rental housing, with more than 1900 homes across the city. WCC provides social housing to people on low-incomes and the city's most vulnerable people.

Currently, City Housing faces both a funding challenge, with an average $9m annual operating deficit, and a financing challenge, as it is unable to meet the estimated cost to complete the Housing Upgrade Programme (HUP). The rents are also becoming increasingly unaffordable for tenants. Rents are currently set at 70% of market rent (a 30% discount on rental rates necessary to make tenancies more affordable), and market rental prices are increasing in Wellington (71% increase in market rents since the Deed was signed). There is not a single, simple solution to our financing and funding challenges – a number of changes are needed. WCC is seeking to achieve several objectives through the proposed changes:

- Commit to partnering with Central Government, mana whenua and other partners to increase social housing provision in Wellington
- Providing security of tenure and affordable rents for our tenants
- Improve our financial position for the remainder of the Deed period and manage housing cost pressures alongside other Council funding issues
- Complete the full upgrade programme, including meeting new regulatory requirements that were not in effect when the Deed was signed
- Creating new revenue sources to reduce reliance on rental income from tenants.

The Council has also set the Te Mahana strategy to end homelessness in Wellington. It weaves international best practice with culturally specific steps for ending homelessness, to establish short and medium-term priorities for action.

Challenge 3 - Environment

Respond to Climate Change - Te Atakura

Climate change is already here, and its effects are just beginning. When it rains heavily at a high tide, or when the waves from a severe storm crash against the coast, we are already experiencing early impacts of climate change. In Wellington City about $7 billion in property alone is at risk from sea level rise according to the latest guidance from the Ministry for the Environment – and our cherished spaces like Civic Square, the waterfront, and Waitangi park are at risk if we don't move emissions to zero. Climate change includes the risk that rainfall will be more intense and variable, meaning we will need to increase our focus on interventions to manage increasing demands on our drinking water sources.

In response Wellington City Council has adopted Te Atakura -First to Zero carbon by 2050. This requires the reduction of city wide net emissions by 43% by 2030. Wellington City Council is committed to ensuring Wellington is a net zero greenhouse gas emission city by 2050 – with a commitment to make the most significant cuts in GHG emissions (43%) by 2030.

The Te Atakura Implementation Plan provides a measurement-based approach and identifies the potential for a 24% reduction in city-wide net emissions by 2030 – leaving a 19% shortfall to meet our 2030 target.

Adaptation to climate change is another area where sufficient debt headroom is required to enable future funding once the costs of these activities are more certain and the community can be consulted. Further information on our response across our Transport and Three Waters infrastructure is included in relevant sections of this Strategy.

Changing expectations of water quality

Community expectations around the quality of freshwater are increasing. This can be seen through the introduction of the National Policy Statement for Freshwater Management. It is also evident in the work of the Whaitua Committees setting expectation for water management.

The NPS and any Whaitua te Whanganui-a-Tara Committee implementation programme will come into effect during the life of this Long-Term Plan. This will affect the levels of service our community expects us to meet through our infrastructure, particularly for three waters. These increasing expectations will come into focus as a number of our key resource consents come to be renewed:

- Stage 1 of the global consent for stormwater discharge expires in 2023, for stage 2 and future consents there is a likelihood of more stringent conditions as the requirements of the National Policy Statement for Freshwater Management come into effect
- Consenting of any sludge minimisation plant in the coastal environment would be significantly more challenging than the current site given water quality concerns
- Landfill consents expire in 2026. Given the Southern Landfill consenting conditions are substantially about the management of water, there is a likelihood that conditions will be substantially more rigorous.

This Long-Term Plan includes significant investment in improving our three waters infrastructure that will significantly improve our ability to meet these changing expectations. Further investment however may be required depending on the speed and degree to which our community expect us to move.

Challenge 4- Resilience

Wellington has a strong awareness of risk from natural disasters. This has had a threefold impact on Wellington with the need to: fund the impacts of the earthquakes that have occurred, increase the resilience of our buildings and lifelines in line with new standards, and maintain financial headroom for potential future events and regulate and facilitate the safety of all other buildings in the city. Key challenges that we see related to resilience and risk are:

Making the city more earthquake resilient –

To respond to this challenge the Council is planning to increase the level of water storage and strengthen critical services such as the central library, town hall, St James theatre, TSB arena, Bond store and the Opera House.

- Regulate and facilitate strengthening work in the city – More than 500 earthquake prone buildings need work in the City, half of these need to be done by the end of 2027
- Congruent with the Wellington Resilience Strategy we plan to strengthen Council infrastructure through the renewal programme
- Focusing on critical lifeline areas – We are also planning to fund increased water storage in the city and secure water supply to the central city following a natural disaster event.
- Most of our buildings are not earthquake prone, but some are, and require strengthening. This includes key public use buildings like the library and investment in the arts – to maintain and strengthen the reputation of Wellington as a city of culture. Capital funding related to the cultural outcomes is to support the sector with high quality venues. The strengthening and refurbishment to allow for future use of the Town Hall and St James theatre, and remediation of the Central library
- Additional funding to respond to climate change impacts
- Review the risk of the investment portfolio in terms of asset concentration. The vast majority of income generating asset holdings are related to the performance of the Wellington CBD either directly (Ground Lease, Commercial property, Parking revenues) or indirectly (Wellington International Airport shares). We are planning to review the investments we hold to determine whether it may be more appropriate to diversify the portfolio.

COVID-19

COVID-19 has had a sharp impact on the short-term financial position of the Council. Reduced revenue from fees and user charges along with loss of revenue from our airport dividend saw and operating deficit in the 2019/20 financial year.

Council's decision to debt fund the deficit in order to manage the immediate financial impact on rate payers has a short to medium term impact on this strategy. This is through the need to repay the borrowing over the first ten years of the Long-Term Plan.

To respond to future shocks like this, we are focusing on improving the technology to keep council running and updating Business Continuity Plans. We are also ensuring that there is sufficient capacity in the debt limit to allow for future unforeseen events.

Increasing risk and insurance pricing

In November 2016, we experienced a moderate earthquake that tested our city. It responded well, but there is more work to do to improve the city's resilience. With the climate also changing, we need to find ways of living with more severe and frequent extreme weather events. And we also need to factor in rising sea levels which will influence the capital investment required to protect our infrastructure assets.

We have insurance for natural hazard-related events on most of our infrastructure. Our assets are insured on a probable maximum loss basis for a 1-1000 year event. This means that we do not insure at a level to replace 100 percent of our assets, as there is a low level of risk that all assets would simultaneously be affected by a hazard event. We also have a self-insurance fund of $10m for below-excess claims.

Due to the frequency of earthquake events in Wellington and insurance events worldwide, the cost of insurance cover has increased significantly, and the availability of cover has reduced. While we have increased our fees and rates to accommodate some of this increase, we have also developed a risk and insurance strategy which justifies the Council accepting an increased level of risk by no longer insuring our assets at the same level.

When we are considering the level of acceptable debt relative to our limits, we are now careful to factor in a level of debt headroom needed for uninsured assets in the case of an event.

Future significant decisions

As a consequence of the challenges facing our long-term planning there are a number of key upcoming decisions that will have a material impact on our plans and this Strategy.

Joint Central/Local Government Three-Waters Reform

Decision: Year 1-2

The Government and representatives of the local government sector are working through the Three-Waters service delivery reforms.

The government is expected to make a substantive policy decision April/May 2021, to enable legislation to be prepared. Each local authority would be asked to decide to participate in the new service delivery system in late 2021. In short, this would transfer the responsibility of 3-Waters from local government to a newly formed entity.

The reform process has a number of key milestones with the likely transfer of the entity assets to a new entity in 2023/24.

A package of supporting information will be provided to enable local government to engage with the community and consult on the proposal.

Given a substantive policy proposal is not currently available and the importance of continued planning for investment in three waters infrastructure, this Financial and Infrastructure Strategy assumes continued ownership of the waters assets by Wellington City Council, and management by Wellington Water Limited. The upcoming decision on reform is signalled however to make the community aware of the upcoming consultation of the proposed change. The implications of the proposal are still being assessed across all entities that provided Three-Water services but would have significant direct and indirect impact on Council assets, borrowing and revenue. The full impacts of any reform proposal will be presented as part of consultation on the reforms and are likely to necessitate an amendment to the Long-Term Plan and substantive change to this Strategy.

The replacement value of the 3-Waters network is $3.9 bn with an inflated capital investment of $4.4 bn and $7.1 bn of operating expenditure over 30 years

More information on the Three-Waters reform can be found on the following link: https://www.dia.govt.nz/Three-Waters-Reform-Programme

Let's Get Wellington Moving

Decision: Years1-3

Over the first years of the Long-Term Plan the LGWM programme will be presenting a range of significant decisions on their programme of work to the community for consultation and the Council for decision making. These will assess significant investment proposals in our transport infrastructure that will drive significant spend and change across the city.

The full financial impacts of these decisions are not yet included in our long-term budget with a need for alternative funding mechanisms to be identified by the programme. Depending on decision making of programme business cases and the success in identifying alternative sources of funding then significant additional spend and borrowing may need to be accommodated in this Strategy.

We have $270m included in this Strategy for early LGWM projects, but Wellington City Council's total contribution to the programme could be more than $1.4b.

Planning for Growth

Decision: Years1-3

Our current budget in this Long-Term Plan does not fully accommodate the level of growth investment required by a population growing by 50,000 to 80,000 over the next 30 years. This is because the outcomes and decisions around the current draft Spatial Plan are not yet confirmed.

Our draft Spatial Plan will be confirmed in the first year of the Long-Term Plan and the resulting review of our District Plan will take place over the early years of the Long-Term Plan. Decisions within both the Spatial Plan and District Plan will drive these further infrastructure investment requirements across our asset classes.

Where and when the city grows could drive varying level of infrastructure spend and these decisions will need to be accommodated in future Annual or Long-Term Plans. This is a city-wide plan and will require new and upgraded infrastructure of billions of dollars.

Community infrastructure investments

Also of note is the signal in our Long-Term Plan to review our network of community infrastructure assets. This review will examine our current network of libraries, pools, community halls and other facilities in light of decisions in our Spatial Plan. Decisions within that review will drive investment and funding requirements for community infrastructure over the coming decade.

Social Housing

Decision: Year 1

As noted in the challenges earlier in this Strategy our City Housing portfolio faces both a funding and financing challenge. While the service has some cash reserves, given the financial challenge and the significant required upgrade programme facing the service, it will become insolvent from 30 June 2023 (The draft Long-term Plan provides Council debt funding for the operating deficit to enable operations to continue until a sustainable solution is agreed by Council).

The Council is actively working on options to ensure we can continue to provide this important service for our tenants, while also meeting our costs and commitments under the Deed of Grant. As part of this, Council is discussing options with Central Government, including immediate access to the Income Related

Rent Subsidy for all eligible, existing tenants, funding capital costs through a special purpose vehicle in partnership with the Crown and/or establishing a Community Housing Provider (CHP).

Pursuing an option of establishment of a CHP would be a significant decision for the Council to take and would require comprehensive community consultation. Given options are still being pursued we don't know the nature of the decisions required but decisions are likely to be required in the first year of this Long-Term Plan.

The unbudgeted 10 year capital expenditure costs of the social housing upgrades and renewal programmes are $402m.

Divestment programme

Decision: Ongoing

To manage our finances, we will also be considering whether our assets are delivering the best value for Wellingtonians. Where we have assets that could realise more value we can look at divesting (selling) these assets and use the proceeds to off-set our borrowings or reinvest in assets with a better financial return. This can help keep rates at an affordable level.

Assets that may represent an opportunity for Council include our shares in Wellington International Airport, our portfolio of ground leases, encroachments and road reserve, and some of our buildings.

These opportunities will be investigated and any decisions to sell strategic assets will need to be further consulted on with the community before any decision is made. The Investments in Wellington Airport and the ground lease portfolio alone is over $469m.

AFFORDABILITY

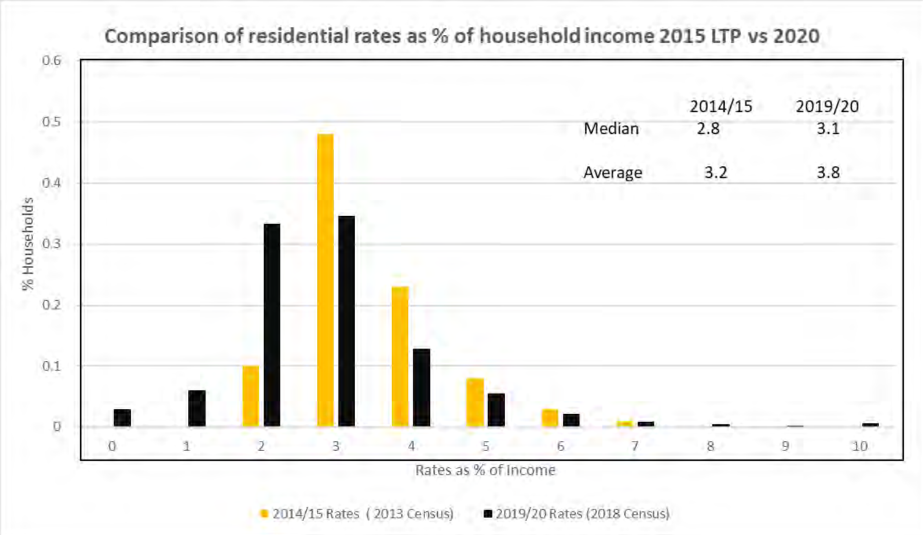
A majority of residents benefit from relatively high incomes with very high household incomes comparative to the New Zealand average. We also have a significant commercial sector that allows residents to afford higher levels of services than other smaller centres. There are still however sections of the community that struggle to afford living costs and are not easily able to access the services Wellington has to offer. The key challenges are:

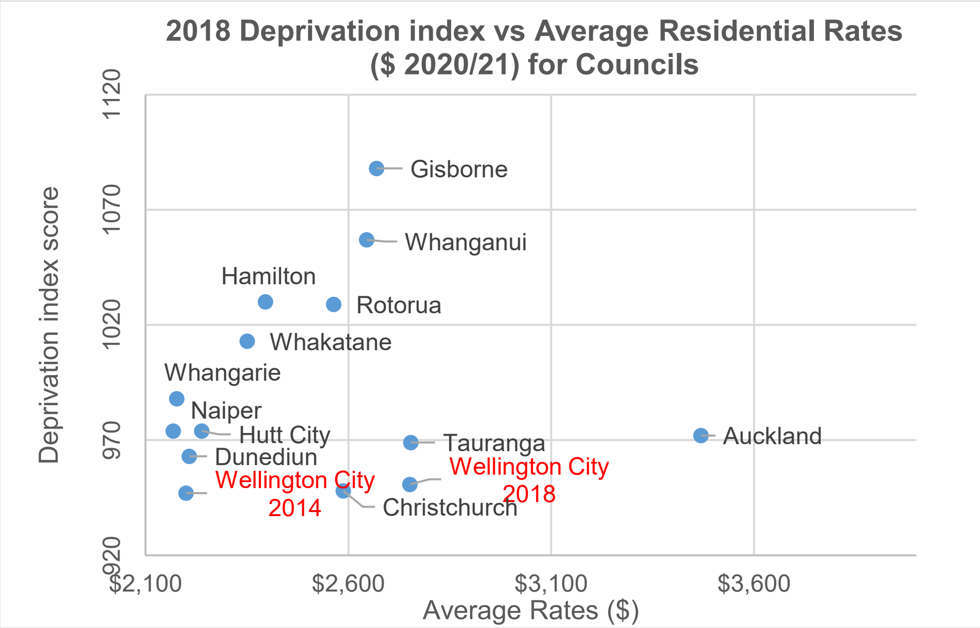
Affordability and accessibility (rates and services) –

i.e. making sure rates and services are affordable for residents and businesses. To try and ensure that there is a good level of affordability of rates we monitor rates as a portion of household incomes and have a policy on rates remissions. We also facilitate rates rebates and offer a ‘leisure card’ which offers services at discounted rate for community services card holders.

The analysis below shows that that the average rates (2020/21) is at a level close to 3.8% of household incomes (as at 2018 Census). This has slightly increased since this analysis was last done in 2017/18. The level of rates and distribution around the average is a subjective judgement around affordability. The 2007 Shand report reviewing Local Government rating suggested a benchmark of rates around 5% of household income being affordable.

Overall residential rates in Wellington are more affordable when compared to other Council’s rates across New Zealand, when this is compared to the relative deprivation index score, as can be seen in the table below.


Comparison of residential rates as % of household income 2015 LTP vs 2020
% Households
0.6
0.5
0.4
0.3
0.2
0.1
0
2014/15
2019/20
Median 2.8 3.1
Average 3.2 3.8
0 1 2 3 4 5 6 7 8 9 10
Rates as % of income
2014/15 Rates (2013 Census)
2019/20 Rates (2018 Census)


2018 Deprivation index vs Average Residential Rates ($ 2020/21) for Councils
Deprivation index score
1120
1070
1020
970
920
Gisborne
Whanganui
Hamilton
Rotorua
Whakatane
Whangarie
Naiper
Hutt City
Dunediun
Wellington City 2014
Christchurch
Tauranga
Wellington City 2018
Auckland
$2,100
$2,600
$3,100
$3,600
Average Rates ($)

The commercial sector rating affordability is also monitored and is critical in the review of the general rates differential whereby $57.8m of rates are redistributed to the commercial rating sector based on affordability. Overall the rates expense for the commercial sector is relatively low as a proportion of Income and as a proportion of profit. The proportion in the wholesale/retail and hospitality sector is higher than other sectors and has risen by half a percent as can be seen in the table below.

The commercial sector rating as a proportion of profit and income can be seen in the table below:

	Sector	2020 Rates % of income	2017 Rates % of income	2020 Rates % of profit	2017 Rates % of profit
1	Agric/Mining/Utilities	0.59%	0.41%	3.56%	2.67%
2	Manufacturing/Construction/Transport/Storage	0.12%	0.13%	1.28%	1.48%
3	Wholes/Retail/Hospitality	0.18%	0.14%	4.96%	4.37%
4	Fin/Business	0.25%	0.20%	0.82%	0.71%

Council is working with central government and other Councils on a Ratepayer Financing Scheme (RFS) to support building owners. The RFS would allow a collection of Local Authorities to make use of the inherent high credit quality of local government rates charge security to access very efficient and flexible financing from the capital markets and then pass on these financing efficiencies to ratepayers.

The scheme could be used to provide rates payment flexibility to ratepayers facing affordability issues and is akin to a reverse equity mortgage. The RFS could also be used more widely to provide property improvement loans or deferred development contributions. Loans could be related, for example, to helping ratepayers to invest in required seismic strengthening work.

The Council is currently championing the next steps with the RFS, working with Auckland Council and Hamilton City Council in the first instance, following which will be gaining formal DIA support. It is hoped this stage will be completed by July 2021.

In addition the Council has reviewed its rates postponement and remission policies and is proposing more accessible policy criteria.

FUTURE FINANCE SETTINGS & HEALTH

Introduction

The Council is committed to making some of the largest capital investments it has ever made over the next ten years. This level of investment is needed to ensure that the City's core infrastructure (three waters, transport) is maintained and optimised, to accommodate an expected population growth of between 50,000 to 80,000 people, and to respond to key challenges such as climate change and earthquake strengthening. We are projecting that these investments will increase the value of the Council's (non-land) assets by around 15% over the next ten years (from $7.8 billion to $9.0 billion). Looking further out, we are expecting the value of our assets to more than double over the following 20 years (to between $20 billion and $30 billion by 2050).

Understanding, modelling and managing the financial impacts of these necessary investments is critical. We need to be confident that the rate payers of both today and the future can afford this growth in assets, and that the Council can maintain its current position of financial sustainability.

Investing in Infrastructure

Forecast growth in asset ownership

There are three main drivers of the growth in the Council's asset base which are the need to:

- Upgrade levels of service, replace or renew existing assets
- Respond to population growth and the changing expectations of our communities
- Respond to emerging risks such as climate change and earthquake strengthening.

The chart below summarises the main drivers of our planned capital expenditure will be invested over the next thirty years:

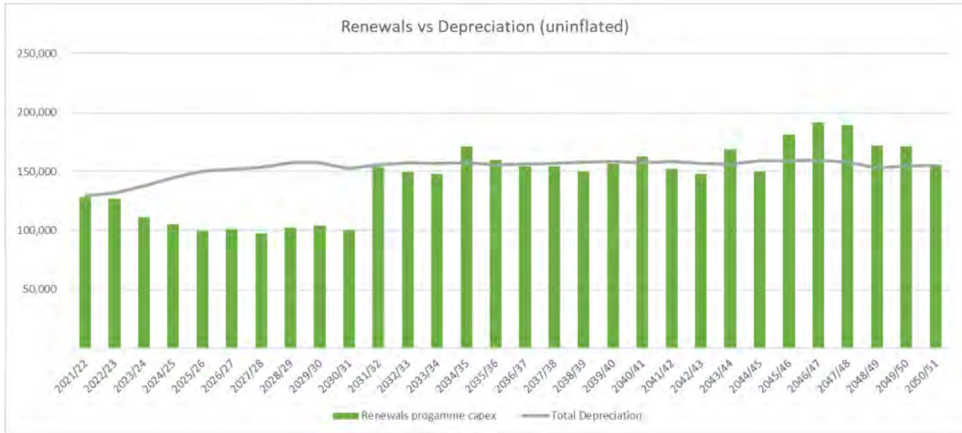
*The above graph is inflated.

Planned capital expenditure

This necessary growth in the value of the Council's asset ownership will require substantial investments in capital expenditure. The figure below summarises planned and projected capital expenditure over the next 30 years, showing the split between renewals, upgrades and growth (excluding off balance sheet investments).

2021-31 LTP	10 Years		30 Years	
Renewals	1,222,466,853	46%	6,910,235,573	68%
Growth	555,842,247	21%	1,691,687,014	17%
Level of service	884,340,460	33%	1,573,166,196	15%
Grand Total	**2,662,649,561**	**100%**	**10,175,088,783**	**100%**

This level of capital investment cannot be funded solely from the cash generated by depreciation of the current asset base. The graph below highlights the increasing gap between the capital funding we raise through rates (via depreciation) and to total capital funding we need to deliver our planned expenditure. This gap will need to be funded through other means, and primarily through increases in our levels of debt.



*The above graph is uninflated.

Funding and financing our plans

To manage our finances, we need to consider several factors such as the rates we charge, the level of service we provide and the amount of debt we hold. We can also consider whether our assets are delivering the best value for Wellingtonians.

Meet increasing funding needs

The significant increase in operational and capital costs is a considerable affordability challenge for the Council. These cost increases come from the challenges outlined in this Strategy. Increasing our asset investment puts extra pressure on Council's finances and results in increased debt and operating costs. This is because we fund investment in assets to improve our infrastructure by borrowing – we then spread the cost (debt repayment) via rates across the years the asset is utilised – ensuring that those who use the asset pay for the asset.

The increased investment in infrastructure to provide for growth is proposed to be recovered through development contributions over time as new lots are created and new houses and apartments are built across Wellington. This means there will also be more properties to share the rates across, reducing the impacts on existing ratepayers.

The way in which the planned significant cost increases are proposed to be addressed are as follows:

- Significantly increase debt funding, and increase the debt:Income debt funding limit from 175% to 225%. We will seek to maintain our strong credit rating of AA+ to ensure the cost of this increasing debt is minimised where possible. Bonds, including green bonds will be used where appropriate also.
- Significantly increase rates funding and the rates funding limit to $465m for the first 3 years and $630m for the next 10 years

• Rate limit year 1-3	• $465,000,000
• Rate Limit year 1-10	• $630,000,000

- Partnering with other entities (e.g. Government agencies, Property developers) to either deliver outcomes without the full cost being funded by Council, or enabling commercial incomes to offset costs
- Use of a Special Purpose vehicle to enable delivery of a capital project but not with Council debt, whereby beneficiaries still end up funding the project
- Divestment of risky or lower performing assets to reduce borrowings or enable higher performing investments
- Reducing cost by increasing risk – Council has options to reduce the amount of insurance cover taken to limit its exposure to insurance cost increases by accepting a greater proportion of uninsured risk
- Increasing other non-rates revenue streams such as fees and charges and returns on commercial investments.

- New Revenue streams will be advocated for those that require Crown support and/or legislative change such as congestion charging/travel demand management, parking levies, user charges etc.

We currently have moderate levels of borrowings and borrowings limits to be able to invest in the infrastructure required to ensure there is enough capacity for our growing population and have a buffer against risks. We are proposing to increase the limit on our levels of borrowings relative to income from 175% to 225%. This is still well within the limits of 285% for financial covenants with Local Government Funding Agency. This limit is expected to cater for the nominal level of net debt, the amount of 'headroom' cover to compensate for the lack of insurance cover for a 1 in 1000 year event, and the amount of headroom of depreciation funding in excess of renewals expenditure to facilitate future renewals expenditure when this is in excess of the depreciation funding.

To maintain a healthy balance sheet and reduce the general rates burden, alternative financing and funding arrangements are being considered for a number of significant projects including social housing upgrades and renewals from 2024/25 ($402m), Sludge dewatering plant ($147m-$208m) and Lets Get Wellington Moving (LGWM) $1.38bn. Although the intent is for these costs to sit 'off balance sheet' it is important to note that Wellingtonians will still be required to pay for these investments over time.

There is also risk that alternate solutions do not eventuate and if these significant projects are to continue, Council will need to raise the debt itself. It is therefore prudent to maintain headroom to mitigate against this risk.

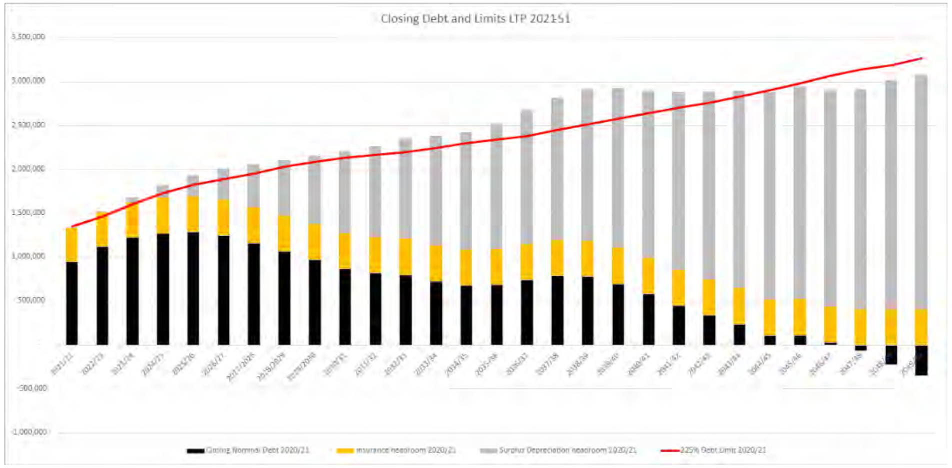
Responsible and prudent management of debt

The Council has headroom to increase its level of debt as a means of financing the significant increase in capital expenditure and the gap between depreciation funding and the capital cost of replacing our end of life assets. Increasing debt levels needs to be managed responsibly to avoid placing unsustainable pressures on future budgets and rates levels. As we plan to increase our levels of debt, we need to be confident that we have properly considered the following factors:

- That the timing, value and returns on planned investments are understood and modelled
- That necessary debt facilities, credit rating and security is in place and is achievable in the medium to long-term
- That the future cashflows needed to repay the debt will be available
- That future rate payers can afford to service debt interest and repayments
- That future rate payers can afford the operating cost implications of a bigger asset base
- That we maintain the financial headroom below the limit to deal with known future financial costs
- That we maintain the financial headroom above the limit to deal with known issues (without quantified costs) and risk and opportunities to invest.

We use strategic financial and asset planning, and the modelling of future scenarios and risks to provide reassurance that our capital expenditure planning is affordable. A powerful tool we use is to ensure the ratio of our debt to the revenues we generate are maintained within responsible limits. The debt limit of 225%

debt:revenue ratio is proposed as an appropriate and prudent limit to ensure our debt levels remain sustainable. The graph below shows the forecast movement in our debt/revenue ratio over the next 10 years, based on our planned increases in rates and capital spending:

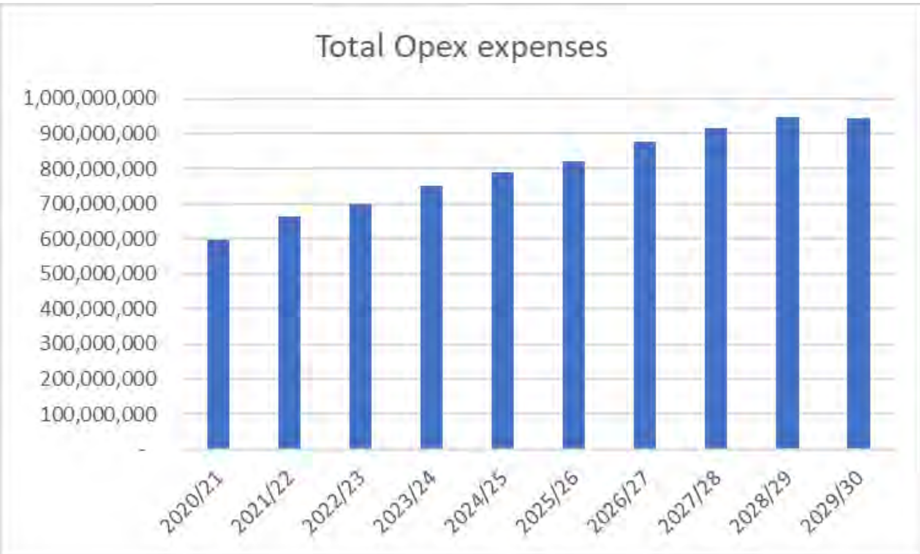


Understanding and managing the impacts on operating expenditure and rates

Another critical impact of funding capital expenditure through increasing debt as well as through depreciation funding is on future operating expenditure (and therefore on future rates). As both our asset base and our level of debt grow, so do operating costs of debt financing and asset management and renewals. These increasing cost pressures include:

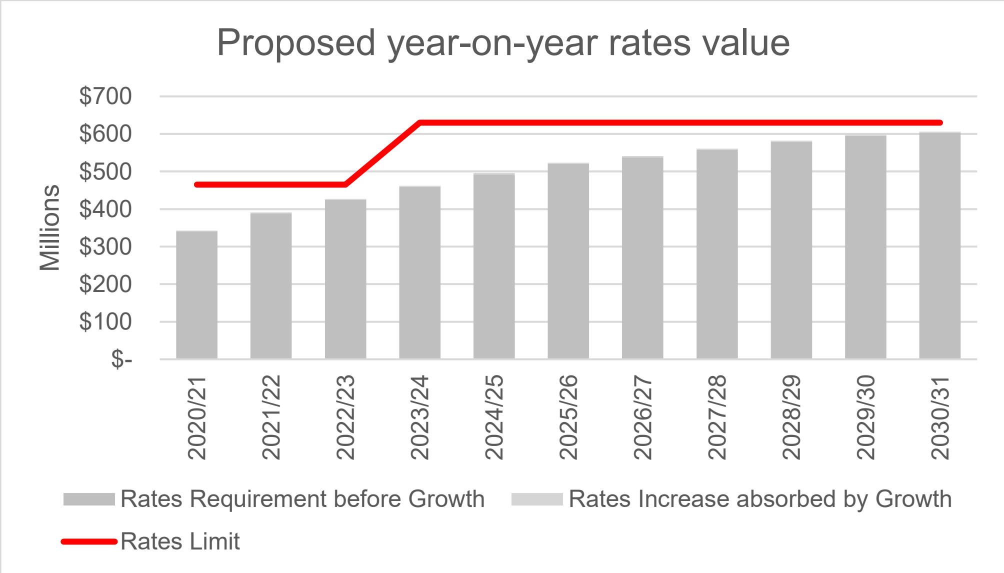
- Increasing interest payments as the debt principal increases
- Increasing depreciation as the value of total assets increases
- Increasing costs of repairing and maintaining a larger portfolio of assets.

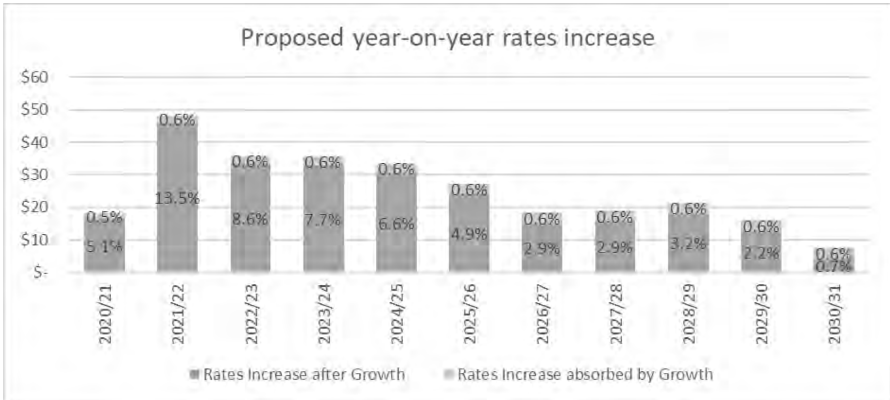
The graph below shows how operating costs are projected to increase over the next 10 years as a result of our planned capital expenditure and capital funding:



*The above graph is inflated.

Over 60% of the Council's operating revenues are currently generated through rates. The graph below shows the projected increases in rates that will be needed to fund the ongoing maintenance and management of our increasing asset base, all services, and to finance our increasing level of debt:


Proposed year-on-year rates value
Millions
$700
$600
$500
$400
$300
$200
$100
$-
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
Rates Requirement before Growth
Rates Increase absorbed by Growth
Rates Limit


Proposed year-on-year rates increase
$60
$50
$40
$30
$20
$10
$-
0.5%
5.1%
0.6%
13.5%
0.6%
8.6%
0.6%
7.7%
0.6%
6.6%
0.6%
4.9%
0.6%
2.9%
0.6%
2.9%
0.6%
3.2%
0.6%
2.2%
0.6%
0.7%
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
Rates Increase after Growth
Rates Increase absorbed by Growth

Ability to deal with future issues and challenges

This F&IS provides a framework for enabling the Council to make the needed investments in infrastructure and other assets and services in a way that is affordable, fair and sustainable. It also provides transparency over the main risks and impacts of this level of investment, and specifically on future rate increases. By remaining true to the principles and targets set out in the strategy, and through careful monitoring against these measures, the Council can have confidence that it will achieve its strategic objectives.

Assessment that it is prudent and sustainable

• Measure	• Current Target (Limit) •	• Future Target (Limit) 10 Yrs •
• Financial Measures		
• Debt to revenue ratio	• 175% •	• 225%
• Rates affordability (rates as a share of HH income) - % of HH with 5% or more	• 3.8% Average •	• <5% Average •
• Level of income from sources other than rates	• 36% •	• 45% •
• Investment returns	• Greater than or equal to the weighted average cost of borrowings	• Greater than or equal to the weighted average cost of borrowings
• Credit Rating	• AA+ •	• AA+ •

• Measure	• Current Target (Limit) •	• Future Target (Limit) 10 Yrs •
• Rates requirement	• $391m	• $606m
• Net Debt level	• $948.8m	• $870.9m

Managing our investments and equity securities

The Council currently maintains equity interests valued at $416m as at 30 June 2020.

The primary objective of holding and managing investments and equity securities is to optimise the return on the overall investment portfolio. Investments are also held for achieving Council's strategic objectives and to provide diversity to the Council's revenue sources. For non-strategic investments, the target return for investment is to achieve an average return over time greater than Council's long-term cost of funds, currently forecast at 3.4% per year. The Council's investment policy sets out the mix of investments, strategies and other policy considerations in detail.

The Council operates on a "net debt" basis, and does not separately maintain significant long-term cash investments. The general policy with respect to surplus short-term cash is to invest any short-term surplus cash or to temporarily reduce borrowings.

Equity and financial investments are divided into 4 categories:

- Cash and Cash Equivalents
  Cash is held for liquidity purposes like the pre-funding of debt maturing within 12 months, or short-term cash surplus investments.
- Income generating commercial debt instruments
  These are principally loans to other organisations (on commercial terms) to deliver a cash-flow return to the Council.
- Income generating commercial equity investments
  The Council currently maintains a 34% shareholding in Wellington International Airport Limited (WIAL).
- Income generating commercial property investments
  The Council's ground leases and land and buildings are held primarily for investment purposes. The Council periodically reviews its continued ownership of investment properties by assessing the benefits of continued ownership in reference to strategic benefit, financial return, risk and opportunity cost.

The Council does not target a financial return from its strategic investments. These are divided into two categories:

- Non income generating investments

This includes loans to other organisations, and equity investments in Council Controlled Organisations. The Council's non-income generating investments are held for strategic or ownership reasons.

- New Zealand Local Government Funding Agency Limited
  The Council invests in shares and other financial instruments (including borrower notes) of the New Zealand Local Government Funding Agency Limited (LGFA) and may borrow to fund that investment. The Council's objective is to ensure that the LGFA has sufficient capital to remain viable, enabling it to continue as a source of debt funding for the Council. The Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

The Council's investment policy sets out the mix of investments, strategies and other policy considerations in greater detail.

MANAGING AND IMPROVING INFRASTRUCTURE

Introduction

The core infrastructure assets are critical to the city's economy and quality of life. Our transport activity has a replacement value of $1.6 billion and includes 700 km of city roads, as well as accessways, 900 km of footpaths, 38 km of cycleways, parking facilities, 119 of traffic signals, over 20,000 street lights , 135 km safety fences, handrails and guardrails as well as other transport network assets.

The Council owns the Three Waters networks with a replacement value of over $3.9 billion which includes 67 reservoirs, 105 pumping stations, over 2,727 km of underground pipes, 165,000 fittings valves and hydrants, 18 km tunnels and storm network run-off infrastructure.

We have a significant portfolio of built property assets worth over $1.1 billion which includes Venue buildings, Community buildings and libraries, social housing, Commercial buildings and operational buildings such as Municipal Office building and Civic Administration building.

Replacement value of council assets

• Group	• Amount ($m)
• Three waters	• $3,897
• Transport	• $1,685
• Property	• $489
• City Housing	• $370
• Parks Sport and Recreation	• $614
• Waterfront	• $334
• Other	• $275
• Total (excluding land)	• $7,664

**some of the built portfolio is also within other groups*

This strategy focuses on core infrastructure (Three waters and Transport) however the principles and processes discussed generally apply across all our asset networks.

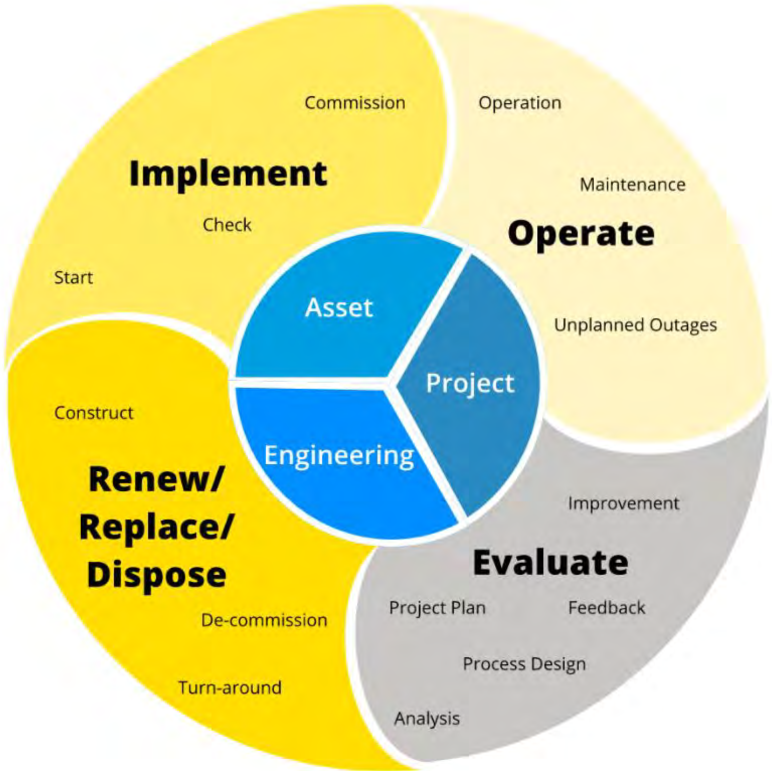
Asset Management is the key driver to the delivery of asset-based services to contribute to the Community Outcomes for the city. A good asset management plan is an enabler to inform our decision making for the Long-Term Plan.

Asset Management is intended to deliver required services to defined standards, cost effectively and sustainably over the long-term. Asset Management supports providing these services sustainably over the life cycle of the asset. It is intended to provide information required by elected members to understand the issues and risks associated with decisions they make on behalf of the community.

Our approach to how we manage our assets portfolio is guided by the following:

Lifecycle Management

The lifecycle management approach, guided by our asset management plans, alongside expert advice from external valuers covers the full life of our assets. It defines the monitoring, operations and maintenance of our assets, as well as renewal upgrade of assets at the end of their useful lives. The objective is to strike a balance between maintaining ageing assets and renewing and replacing those assets, to achieve the lowest long-term cost. As such, we consider lowest long-term/whole of life cost (rather than short term savings) when making decisions. The diagram overleaf depicts the key stages of an asset's during its lifecycle. Not all assets will trigger all of the stages in the lifecycle diagram and it is merely a high level representation of the key stages of an asset life span.



Asset data

We have continued our substantial data collection program across all core infrastructure (Transport and Three Waters). This information has been used to determine asset value, asset life and forecast renewal programmes. Our forecasting assumptions are based on the available information on age, criticality, asset quality, condition, remaining life and value to inform depreciation and renewal programmes.

As part of this Strategy a focus is on improving the knowledge of the condition and criticality of our underground assets and our property portfolio. This will inform our long-term renewal programme and provide a higher level of accuracy in our future forecasts. Information on the data quality and completeness of our asset data for Transport and Three Waters is included in the relevant sections of this Strategy.

Critical Assets

Central to managing risks, hazards and resilience is the criticality of assets. Critical assets are those that are likely to result in a more significant financial, environment and social cost in terms of impact on organisational objectives and agreed level of service. This does not necessarily mean they have a high probability of failure. The more critical or significant an asset, the higher degree of pre-emptive maintenance it requires. We have a gap in the criticality ratings for some of our core assets with a good understanding in our Transport network along our lifeline routes and an improvement required in our Three Waters network. The investment in improving our asset knowledge is part of the data improvement collection and update programme in the asset data section above.

An asset inspection program (condition scoring) for waters infrastructure, asset management systems improvements and data collection technology has been boosted with $7m of government stimulus funding for participation in the Three waters reform process. This will focus on critical assets to enhance our understanding of asset condition.

Renewals cycle

Prioritisation for renewals is established using a risk-based approach. In general terms, assets are maintained and rehabilitated until they reach the end of their useful life. Asset criticality is a fundamental driver of the renewal cycle of an asset. It determines whether an asset can continue being used until signs of failure are present or if it must be renewed before failure can occur. Assumptions about an asset's useful life are made upon construction and consequently updated periodically based on:

- Age and condition profile
- Performance and customer service issues
- Growth and changing demands
- Criticality and risk
- Failure rates
- Ongoing maintenance requirements
- The differing economic lives of individual assets

The rates of the current renewals are based on age as a proxy for condition and it is recognised a large proportion of Three Water assets have exceeded the theoretical useful life. The condition of the Three Waters assets is not fully understood and whether they will create additional unplanned renewals. As more is known about the condition of these assets, through an increase in the operational budget, the planned condition data assessments will provide greater certainty over our renewal programme and long-term budgets.

Asset Information Systems

We have been investing in improving our asset data systems for the last five years and integrating our data management systems. This enables source data (in the field) to be used in our modelling to more accurately forecast renewals cycles and costs etc. A significant investment has been made in the last year to enhance our property portfolio data to align to the same level as transport. WWL is undertaking a similar initiative for the Three Waters assets.

Growth

One-quarter of the regional growth or approximately 50,000 to 80,000 people over the next 30 years are expected to be accommodated in Wellington City, including the Let's Get Wellington Moving corridor and 'greenfields' development sites , which is the undeveloped land to the north of the city which will require new or upgraded infrastructure services. The planning for growth project is continuing and it is anticipated an increase in investment of new and replacement assets is required to increase capacity for growth. As this work is not complete we need extra headroom in our debt levels to facilitate this. For further details on our growth assumptions, please refer to our significant forecasting assumptions available on our website (https://wgtn.cc/ltp) alongside this Strategy.

Significant Issues

The Council's criteria for assessing the degree of significance of a decision relating to assets are:

- the level of importance to Wellington City
- the level of community interest
- the consistency of the proposed decision with existing policy and strategy; and
- the impact on the Council's capacity and capability – greater than 10% of rates revenue

High Level Infrastructure Challenges

The key infrastructure challenges underpinning the Strategy for our infrastructure assets include:

- Aging infrastructure – indicates there may be a backlog of deferred renewals and forecasts show a future bow wave of renewals
- Resilience – natural disasters, environmental and climate change
- Affordability – ability to maintain the current level of service from the available funding
- Phasing of investment to ensure that infrastructure is not a constraint on growth
- Increasing the capacity of existing infrastructure to accommodate growth
- Industry capacity to deliver

Deliverability

There is a risk that the full capital programme is not delivered in each given year. In the past up to 25% of the capital work programme has been carried forward to subsequent years. This is usually caught up and does not translate to 25% under delivery of the full capital programme.

We are also planning for a significant uplift in the level of investment in infrastructure ($1.1bn 10 year increase from the last LTP) and this will create further pressure on delivery.

Internally, we are currently building capability with a Project Management Office to increase our capacity to deliver this significant capital programme. We are also building Strategic Asset Management capability to improve programme planning and definition.

There is also a risk that the market capacity (supply) to deliver the budget capex is not sufficient. Central government and other Councils are also increasing their level of planned spend and this will create further pressure on the national and regional supplier market. In the short to medium term the impacts of COVID-19 may also impact deliverability in the ability to bring in overseas labour or potential material supply issues caused by closed or restrained borders. We have lowered the forecast opening borrowings to adjust for any backlog.

For the three waters, WWL advises that industry ability to scale up to deliver an increased capital spend is a matter of concern. The Wellington region is emerging from a long period of modest funding on water assets. As funding is increased through Councils and Government stimulus packages, the capacity and capability of the local market will need to ramp up to be successful in delivery.

Further information on the deliverability of our planned capital programme are outlined in the sections below on Transport and Three Waters infrastructure.

Transport Assets

Overview of infrastructure

In Wellington we operate a complex, multi-modal transport network in a constrained urban environment. Our physical assets, people, and resources are the 'means' we use to deliver the key activities that most people and businesses rely on every day. These activities are provided continuously across the city, suburbs and rural areas by the various contributing parties and are for the benefit of residents, commuters, businesses, industry and visitors alike.

This specifically covers the activities of:

- Safe and efficient connections within and between the city's suburbs and the central business district for people who choose to walk, run and ride bikes.
- Safe and efficient connections within and between the city's suburbs and the central business district for people who use public transport and other vehicles.
- Safe and efficient connections within and between the city's suburbs and the central business district for the movement of goods and services.
- A resilient transport network that can function in the event of a natural disaster.

From an asset management perspective, we are responsible for the design, delivery, maintenance and renewals of:

- Sealed roads
- Footpaths and accessways
- Cycleways
- Bridges and large culverts
- Tunnels and subways
- Seawalls
- Retaining walls
- Road markings
- Road signage
- Traffic signals
- Street furniture
- Barriers
- Kerb and channel
- Stormwater drainage and culverts
- Bus shelters
- Street lighting

Levels of service

For our individual asset classes, we have a mixture of technical levels of service and customer levels of service that speak to the functionality and condition of our transport assets. A number of our service levels are statutory requirements and are also informed by central government requirements given the joint funding of transport spending through Waka Kotahi.

Broadly speaking there are a number of areas where targeted service performance not currently being met and these service gaps drive planned upgrade programmes. Areas where service levels require investment to achieve include street lighting and resilience of our structures. Road quality performance is also on a downward trend that requires change in order to manage.

The investments to manage service level challenges are outlined in the following sections.

Asset management maturity

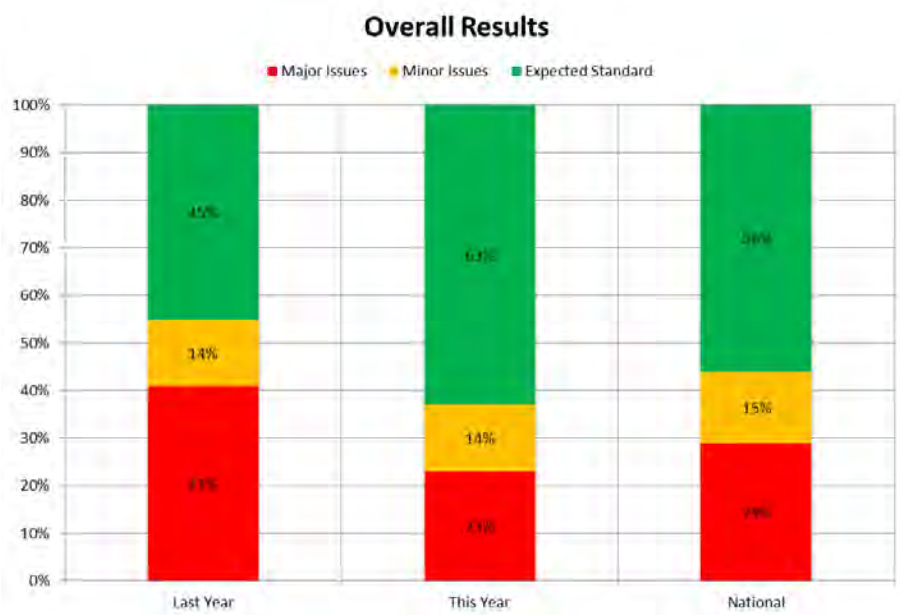
The Council has been refining its asset management practices for many years to ensure appropriate service levels are delivered at least cost. We employ proactive lifecycle management practices where these avoid the significant extra costs of deferring maintenance of critical components. Technical audits by Waka Kotahi have confirmed that the Council's management practices, and intervention levels are appropriate.

Data quality

At the heart of good asset management is high quality asset data. There has been a marked improvement in our asset data quality over the last 3 years. The Road Efficiency Group (REG)[1] collects and compares asset data from all councils. Data quality is measured using 63 metrics. The charts below show how our data quality has improved over time and how it compares nationally.

	Replacement Cost	Condition (1-5)	Performance (1 -5)	Data confidence (A-E)	AM Maturity
• Transport	• $1.6bn	• 2- Minor defects only	• 2 - Good • minor shortcomings	• A-B Minor inaccuracies (1)	• Intermediate / Advanced (3)

[1] The Road Efficiency Group (REG) is a collaborative initiative between Waka Kotahi, Local Government NZ (LGNZ) and the Road Controlling Authorities (RCAs) of New Zealand. The REG partnership is focused on delivering change that will transform the transport sector as the New Zealand transport network transitions from private-vehicle/freight centric to a modern integrated system that includes all modes and available technologies and aligns the objectives of local, regional and central government.



Asset lives are assumed based on the guidance on the Useful Life of Infrastructure from the National Asset Management Support (NAMS) Council and trend data that is available in our asset management system. As a result we have relatively high level of certainty around the strength of our asset lifecycle assumptions.

Key issues

Wellington expects to gain between 50,000 and 80,000 residents by 2043. Currently the biggest share of this growth is in our central city. Wellington is expected to see sustained growth over the next 30 years, both in terms of its population and as the primary employment centre for the wider region. This means that the city's transport network will need to accommodate thousands more people who need to get from place to place each day. Investment will need to be made to accommodate this growth, adapt to changing travel patterns, and ensure that the transport network is reliable, safe, and resilient.

The local transport network in Wellington is built on difficult terrain - it is steep, winding with lots of tight corners, narrow, old and is exposed to extreme natural events such as earthquakes, slips and storms which leaves the CBD, which is largely built on reclaimed land, at risk. This has an impact on how the network has been built as it has resulted in a greater need for structures to support the road surfaces leading to us having the highest number of walls per square kilometre in the country.

Although future overall traffic volume is uncertain, certain key corridors are becoming more heavily used. Increased volumes and vehicle loading create additional stress upon the road, accelerating defects and reducing the asset life of both the road surface and sub-structure. This is particularly a challenge given the large expected increases in heavy vehicles and public transport traffic volumes. A large portion of the network's roads are built on weak subgrades which results in road failures when exposed to moisture.

Key issue – Changing Network Usage	Level of service impacts
Growing demand on roading network - Options for increasing transport capacity are limited by constrained corridors that must accommodate a variety of transport modes. Increasing demand for walking and cycling presents a growing challenge to provide safety and amenity for all modes. As a result, limited road space must be shared between transport modes. Future investments need to consider the constrained nature of the network and strike a balance between several transport modes. *Increased works on roading network* - We have seen an increase in activity on our roads by third parties such as utilities and private developers. This trend is likely to increase given the increase in activity and the large-scale renewal programmes planned for underground utilities. This increase in activity has started to, and will continue to, cause congestion on our network and make travelling around the city more difficult. *Growing demand for active transport modes* - Trends since 2000 show an increase in levels of commuting by walking, cycling, and public transport. Although Wellington's population and employment levels have been increasing, the total amount of car travel, average journey times, and average travel speeds have remained relatively constant over the past	Increased traffic volumes are associated with a range of negative outcomes, including increased traffic congestion, increased travelling times, increased accidents, increased vehicle emissions, and increased costs for maintenance, renewal, and capital expenditure for the transport network. This would result in a declining level of service. Our preferred option below would see us increasing the levels of service by creating a network that has less traffic congestion than

decade. To continue this trend investment in active modes is important. *Climate change* - In 2019, the Council adopted Te Atakura – First to Zero, aiming to make Wellington City a zero-carbon city by 2050. Land transport is Wellington's single largest source of emissions and accounted for 35% of the city's greenhouse gas emissions in 2019. Te Atakura acknowledges that reducing emissions from transport will play a significant role in meeting our targets.	current and reduces our carbon emissions.

Principle options	**Preferred option**
1. Allow the trends of vehicle and active mode usage to continue as per what has been previously witnessed 2. Make use of policies to manage where and how the city grows to encourage growth within the areas of the city that are more amenable to active modes and public transport usage 3. Create more opportunities to encourage mode shift. This could be done in two parts: a. Lean solely on the work to be undertaken by Let's Get Wellington Moving (LGWM) b. Undertake further work to encourage mode shift outside of LGWM such as investing in cycleways and walking improvements	*3 Create more opportunities to encourage mode shift* As a compact city, by investing in the LGWM project we will enhance existing modes of transport across the city. This will reduce traffic congestion and therefore travel times, creating opportunities to move around the city through cycling and walking and improved public transport. These actions will improve our carbon footprint and reduce the impacts on the environment and climate. The LGWM programme will deliver multimodal improvements to the central city and on key corridors, including the cycling network and bike lanes on key corridors. Outside of LGWM there is currently estimated to be 63km of corridors requiring cycling infrastructure. It is currently estimated that the cost to develop these corridors is in the order of $226m. The programme for the 2021-31 LTP is aligned to and coordinated with the LGWM programme and considers the remaining corridors not within the scope of LGWM. Our preferred option is a $45m or 60 percent increase in funding for cycleways than what was planned in the previous Long-Term Plan. It will progress $120m of the full $226m programme.

Key issue – Resilience	**Level of service impacts**
Seismic resilience - The Wellington Region contains numerous known fault lines with the potential to cause a severe shaking event. The Wellington fault line runs through Thorndon, along the edge of the harbour and roughly follows State Highway 2 up the Hutt Valley. The proximity to urban centres and major transport links along with this being the most	Our transport structures (walls, tunnels & bridges) play a vital role in supporting and protecting the road

active of the major fault lines in the region means the Wellington Fault presents the highest risk to the region. In 2013, Wellington Lifelines Group (WeLG) undertook a study as to what would happen in the event of a major earthquake in Wellington. The study looked at the impacts of a 7.5 magnitude earthquake caused by the Wellington fault line. WeLG identified a Priority 1 emergency route out of the city which extends from the airport to Johnsonville. *Climate resilience* - Climate change is expected to cause a rise in sea levels as well as changing weather patterns which may result in more frequent and severe storms than have previously been experienced in Wellington. This will impact temperature, rainfall and wind as well as the frequency and intensity of storms. Wellington has approximately 32 kilometres of road length which is adjacent to the sea and vulnerable to both increasing sea levels and increasing frequency and severity of storm surges. These roads are protected by over 200 sea walls and include arterial roads which serve as critical links to key destinations, including Wellington International Airport, the Southern Landfill, and Moa Point Wastewater Treatment Plant.	corridor. Our tunnels and bridges provide access to suburbs and entry and exits to the wider Wellington region. Not being strengthened limits their resilience in the event of an earthquake. The retaining walls and seawalls help protect our road corridor, including key lifeline routes, from slope failure and sea erosion across the city. This would result in a declining level of service. Our preferred option below would see us increasing the levels of service by creating a network that is less susceptible to major events and climate change.

Principle options	**Preferred option ($363m over thirty years)**
1. Continue to deliver renewals and strengthening of retaining walls and seawalls as per the previous LTP 2. Prioritise strengthening work of retaining walls along emergency routes and then undertake further work based solely on condition (renewals) 3. Prioritise strengthening and renewals based on condition and criticality 4. Prioritise all seawalls for strengthening 5. Undertake strengthening of seawalls when doing seawall renewals	*2 Prioritise strengthening work of retaining walls along emergency routes and then undertake further work based solely on condition* To ensure the emergency routes can withstand a high impact earthquake, we need to strengthen the retaining walls, bridges and tunnels that support the effective function of the road corridor. Failure to strengthen our key routes into and out of the city will result in a transport network that is increasingly less safe, efficient, resilient, and reliable. *3 Prioritise strengthening and renewals based on condition and criticality* We have several un-strengthened structures with some assets built on liquefiable and reclaimed land. In a region with heightened risk of a major earthquake, the likelihood of losing access on key routes is high. As such we have prioritised our renewals programme for

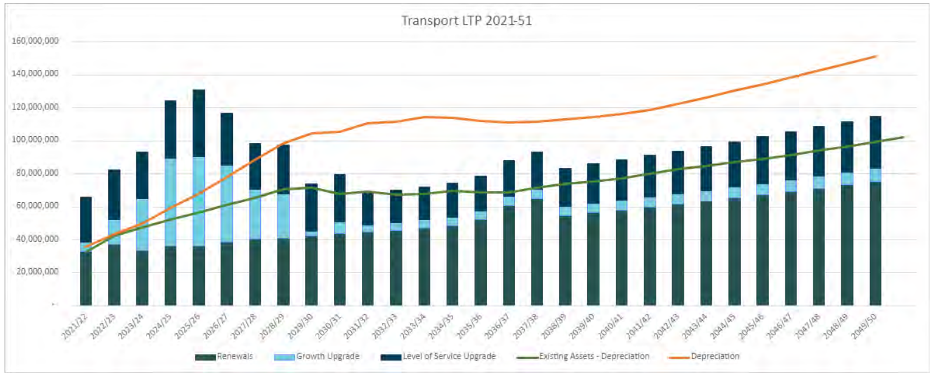
	these assets based on both condition and criticality. Our focus is to strengthen and renew structures on the key emergency routes and existing seawalls along the road corridor in the short term to medium term. *5 Undertake strengthening of seawalls when doing seawall renewals* We undertake strengthening of seawalls whenever we undertake a renewal by accommodating for a 1m sea level rise. Over the long-term we plan to prioritise building of new retaining walls on unsupported slopes and new seawalls where required to protect the road corridor. All our vehicle tunnels have been renewed and strengthened with only one pedestrian tunnel left to be done.

Key issue – Deferred Road Renewals	**Level of service impacts**
We have a high cost of transport road maintenance in Wellington City, relative to other Councils with similar transport networks. Road renewals are the largest driver of our costs making up close to 50% of our annual transport renewal expenditure. The sub-structure of Wellington's roads generally consists of flexible, highly water susceptible clays. Our historical strategy for road surfaces is that we only replace the road surface. The aim is to protect the clay sub-structure which is very expensive to repair should it start deteriorating. We have been consistently underperforming our resurfacing targets due to the increasing costs of resurfacing treatments.	There has been a declining delivery in the road resurfacing programme over the last eight years given increasing costs within consequent decline in the condition of the road network as a result. We are currently witnessing a declining level of service. Our preferred option below would see us bringing our level of service back to the levels we aim to provide.

Principle options	**Preferred option ($585m over thirty years)**
1. Continue to deliver road resurfacing as per previous expenditure 2. Undertake significant road rehabilitation to address the	*4 Change treatment options using lower cost treatments to achieve the targeted levels of resurfacing* We have undertaken an analysis of our expenditure vs. performance to understand how we

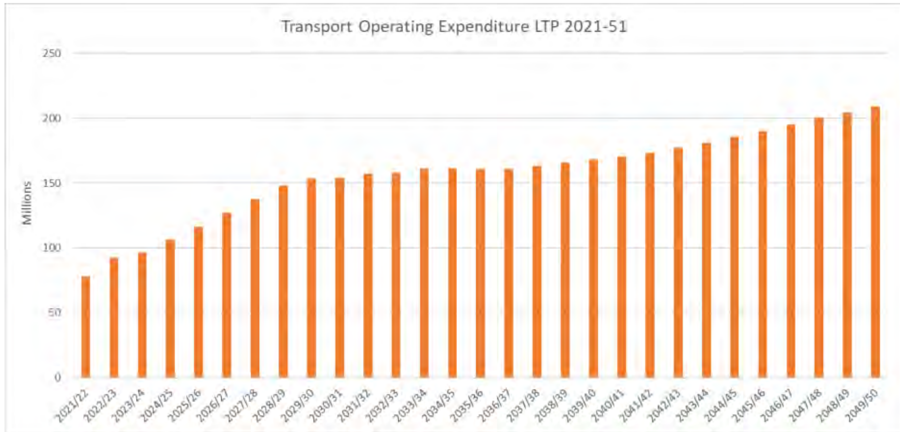
backlog of deferred resurfacing which is now causing failures 3. Invest more into resurfacing so that we can achieve targeted levels of resurfacing required for the network 4. Change treatment options using lower cost treatments to achieve the targeted levels of resurfacing	can catch up on the deferred road renewals. Our strategy is to invest into rebuilding some of the roads that have deteriorated due to deferred renewals and to change the ratio of treatments when undertaking future renewals. The current planned spend on the road renewals is in the order of $131m over 10 years and $585m over 30 years

Transport Investment programme (30 year graph)



*The above graph is inflated.

- The steady level of renewals increases over time with an increasing asset base and inflation.
- The depreciation of the current asset base (2021) is higher than the expenditure due to a number of long life assets not requiring to be replaced within the next 30 years e.g. bridges, tunnels and walls.
- The upgrades for growth in the next 10 years include facilitating transport modal shift such as $192m for Bus prioritisation (as part of LGWM) and new roading to facilitate greenfields sites e.g. $128m for Ohariu to Westchester Drive.
- Level of service improvements are planned across the 30 years mainly to install new retaining walls to protect roading assets, especially prioritising routes.
- The capital investment will facilitate improvements in accessibility as the programme works through its lifecycle



*The above graph is inflated.

Deliverability

Historically, because of the proximity of councils in the Wellington region, there has been a large pool of work available, making the market healthy as it attracted a number of suppliers to tender for works. However, this seems to have changed in recent times as the amount of physical works in the region outstrips the available suppliers to deliver. This includes work such as LGWM, building strengthening in the CBD, The Wellington Lifelines PBC, Transmission Gully and ongoing maintenance activities and capex programmes across councils.

The staged delivery model is the preferred delivery model for our medium to long-term maintenance contract works. We have decided to continue using this model for our Road Maintenance Renewal (RMR) Contract which was tendered out in 2020 and suppliers began to deliver on from 1 July 2020. We are well resourced in this regard to deliver on road resurfacing, other maintenance and renewal activities and minor works.

Our capital works programmes have generally made use of a supplier panel. The supplier panel that we have been using has reached the end the contract period. We are evaluating our options for delivering on our capital works programme as well as future LGWM works programmes to confirm if a new supplier panel is the optimal delivery model going forward. In the LTP we are proposing an investment of $120m over the next ten-year period. This is consistent with what we have delivered in the past (average of $11.5m pa over the last three years). We planned for significant cycleway investment to occur from year 4 of the LTP onwards which provides us an opportunity to grow the local market or look at alternative contract options (alliance models etc.).

Potable Water

Overview of infrastructure

Wellington City shares its water supply with the three other cities in the Wellington metropolitan region, drawing water from Te Awa Kairangi/the Hutt River, the Waiwhetu Aquifer and the Wainuiomata and Orongorongo rivers using treatment, storage and transport assets owned by Greater Wellington Regional Council (GWRC). The catchments for this water are protected, well managed and of high quality.

The table below summarises outcomes delivered to and value of assets

• Outcome	• Drinking Water Contribution
• Safe and healthy water	• 100 per cent compliance with the Drinking-water Standards
• Respectful of the environment	• Establishing roving crews to proactively identify public and private network leaks in order to reduce the pumping of water and defer the need for more large water source.
• Resilient networks that support our economy	• The 35ML Omāroro Reservoir will improve the resilience of the City's water supply when completed. • WWL is establishing an above-ground emergency water network that can supply the City following a disaster. A cornerstone of WWL's approach to building resilience is developing the self-sufficiency of people and businesses for at least seven days following a major earthquake
• Assets	**• Replacement value**
• 921km water pipes $774m • 67 reservoirs/tanks $113m • 34 pump stations $4m • 98,000 valves, hydrants $233m • 72,000 service laterals	• $1.12bn

Levels of service

The status quo will need to change. Taumata Arowai has been established to provide regulatory oversight of drinking water quality. This, coupled with community expectations around better water conservation, avoidance of new and expensive dams, and reduced carbon generation, will culminate in a substantial change in the level of service for drinking water.

This will be particularly challenging as we will be building on a base that has some gaps around measuring water loss and fault response times.

Asset management maturity

Condition monitoring and assessment is an essential part of good asset management, particularly for the most critical assets. Some of the recent failures in Wellington can be attributed to this lack of condition monitoring and assessment.

WWL is undertaking inspection and maintenance of critical assets, and making other improvements to WWL asset management processes. Investments in this area are now underway using funding allocated through the Government's recent three waters stimulus package and an additional Council funding.

To facilitate the renewals and upgrades of the water network relies on good data to inform the most optimal investment programme. We already know a lot about our water assets in terms of location, material and age, but we do not know enough about asset condition.

	Replacement Cost	Condition (1-5)	Performance (1 -5)	AM Maturity
• Water	• $1.1bn	• 3-maintenance required	• 2 - Good	• Under review

Key issues

Key issue – Premature failure of pipes		Level of service impacts
Around 30% of the drinking water network has already passed or is approaching the end of its expected lifetime, and more than 50% is expected to require replacement within the next 30 years. In many cases the pipelines will require replacement ahead of their useful expected end-of-life due to the impacts of factors such as operating pressure and ground movement (including from seismic activity). These factors are considered to be a particular issue for the asbestos-cement pipes that make up around 25% of the existing water distribution network. The premature failure of asbestos cement pipes will necessitate bringing forward renewals on these assets. When these assets are replaced they are replaced with the most modern resilient materials.		Premature failure of pipes are disruptive and will constrain growth, as has happened on other parts of Aotearoa New Zealand. Potable water failures also have potential public health impacts. Without increased investment in network renewals we would anticipate a reduction in the level of service, evidenced by more frequent and significant drinking water outages across the city.
Principle options	**Preferred option ($816m over thirty years)**	
1. We could continue to deal with these pipes through accepting the risk of failure and repairing when they break. 2. Undertake a targeted replacement programme, based on WWL's asset inspections and failure clusters	*2- Undertake a targeted replacement programme* Wellingtonians have told us that accepting the increased risk of failures of not investing is not acceptable.	

Key issue – Water supply	Level of service impacts
Water loss across the city's water network is difficult to calculate due to the relatively limited extent of consumption metering. WWL is unable to report a reliable water loss percentage due to the limited number of water meters across the reticulation network. Instead, the water loss percentage has been reported at a regional level. However, the reliability of this regional water loss percentage was also affected by the limited number of water meters. Despite that, it is accepted that the average household water consumption for Wellington City is well in excess of national	Increasing levels of water consumption could result in increasing supply disruptions through the need for a reductions in levels of service through restrictions

and international benchmarks. The high level of loss and consumption, together with population growth and potential changes to rain patterns from a changing climate are putting the bulk water network system under stress. At current levels, water consumption will exceed supply within the next decade, requiring expensive investment in a new storage facility, or the introduction of residential water meters.	to manage demand

Principle options	**Preferred option**
1. Invest in expanded water storage. This would be carbon intensive and environmentally adverse. Ideally Wellingtonians could avoid the requirement for this by better water conservation. It is very difficult to manage consumption if it is not measured in detail. 2. Establish a suite of policy measures, including changes to the District Plan, relevant bylaws, and Codes of Practice that result in reduced drinking water use in new residential developments, such as through requiring rainwater harvesting and storage. 3. Consider a well informed public engagement around water meters to enable better measurement and management of water consumption.	*2 Establish a suite of policy measures* Council has resolved that the Long-Term Plan will not consult on water metering. In the short-term there are policy measures to encourage reductions in water usage that can be pursued in preference to significant capital expenditure in water storage. In the longer-term further work on management of water will need to be pursued and this can be done so as part of wider government water reforms. In addition, the planned increase in potable water renewals and maintenance will result in an increase in network efficiency and consequential decrease in leaks and water loss.

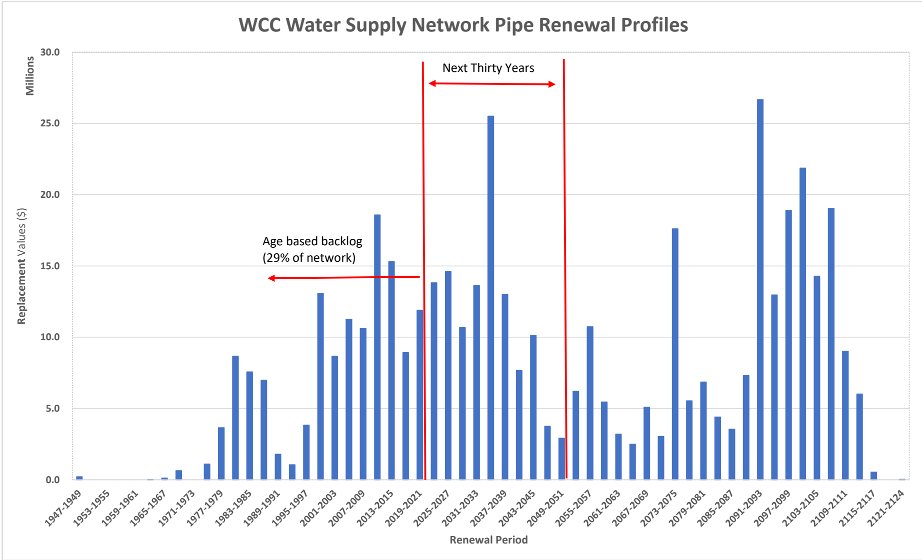
Capital investment

A planned renewals programme, rather than the reactive renewals approach, will minimise the impact on rates. By not addressing the ageing water infrastructure in a planned way will see an increase in pipe failures, longer outage times creating additional operating and capital cost.

We anticipate that the investment in renewals will reverse some of the trends and set us on a more favourable path towards fewer leaks and better water conservation.

Age of pipes

Assets have a long but variable life span mainly due to the material types. The modern materials have a greater resiliency and longer life span. The graph below depicts that we have assets than are passed the expected useful life. If an asset is still in a condition that it can still provide a good level of service, then it is financially prudent to maintain it in operation. It would be wasteful to replace an asset too soon.

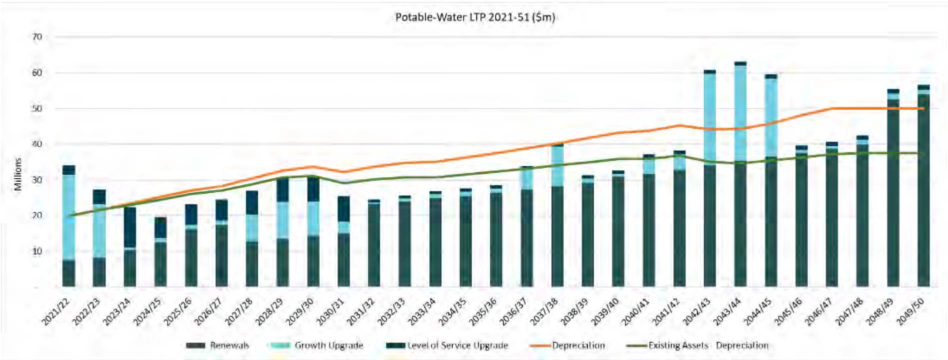


*A number of water pipe assets are still in commission and passed the expected useful life. Refer to graph above.

The key points to note are:

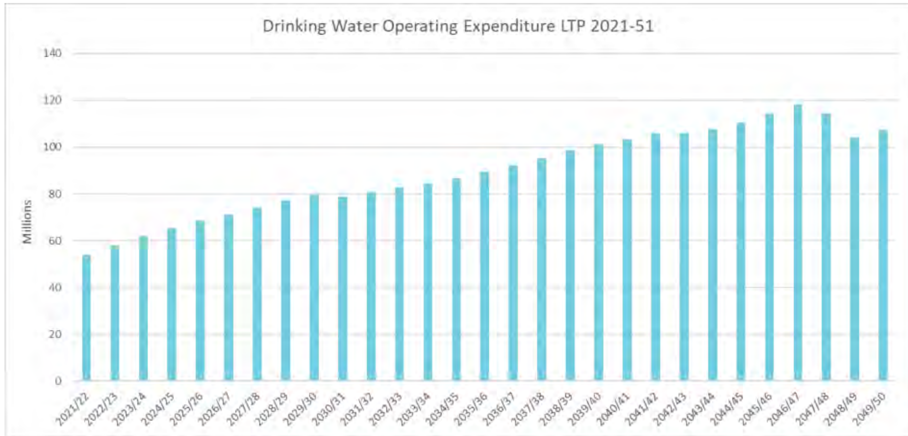
- Water pipes have been in service for longer than their theoretical useful life which increases the risk of asset failure
- Two waves of increased periods of a high level of replacements based on age
- Need to allow debt headroom to fund these waves
- Need more condition assessments to understand replacement timing.

The planned drinking water investment programme over 30 years is:



*The above graph is inflated.

- The potable water asset renewals are forecast to increase significantly over the term of the plan reflecting the volume of assets expected to come to the end of its life. It indicates a sustainable level of renewals to maintain the network performance over the period of the plan, when comparing it to the level of depreciation.
- The level of renewals for the first ten years has increased by over 80% compared to the first ten years of the 2018 LTP. The level exceeds the depreciation funding for the existing assets in 2043 where excess depreciation funding prior to this will be used to fund the higher level of renewals.
- 43% of the pipe network has already been replaced with more modern ductile materials.
- There is $74m of upgrades for growth budgeted in the first 10 years however this is forecast to increase as the planning for growth project is completed over the next 2 years
- Compared to wastewater and stormwater, the Council is not anticipating a substantial investment in upgrading levels of service.



*The above graph is inflated.

Deliverability

WWL advises that industry ability to scale up to deliver an increased capital spend is a matter of concern. The capacity and capability of the local contracting market is currently sized for the historical level of investment. The Region will need to ramp up resources while also improving productivity to be successful in delivery. The long-term arrangements WWL has in place with consultant and contractor partners means they are well placed to respond collectively. While WWL is ramping up other large infrastructure projects within the region and nationally will also be competing for limited resources. This coupled with COVID uncertainty means if WWL is not well planned there is a risk of failure to deliver the capital programme in future years. To meet the challenge, WWL are taking a dual approach which involves increasing capacity and capability coupled with improved productivity using innovation and the increased scale to do things smarter.

With the planned delivery capability and capacity arrangements being progressed, the overall delivery risk will still remain at a moderate level.

Waste Water

Overview of infrastructure

The primary purpose of the wastewater service is to protect public health by ensuring the wastewater is safely removed from private property and other public spaces. There is now an increasing focus being placed on reducing the risk of illness and the environmental effects of discharges to waterways and the sea.

The table below summarises outcomes delivered to and value of assets

• Outcome	• Drinking Water Contribution
• Safe and healthy water	• Identification and mitigation of wastewater overflows into stormwater network and marine environment
• Respectful of the environment	• Prevention of wastewater overflows through pipe repairs and replacements, through better management of laterals and cross connections
• Resilient networks that support our economy	• Better management of critical assets such as the interceptor can grow the City's resilience to a seismic event, and help Wellingtonians to bounce back faster.

• Assets	• Replacement value
• Pipes 1,077km $1,003M • Treatment Plants 2 $217M • Tunnels 15 km $156M • Pump Stations 69 $19M • Fittings and valves 39,000 $166M	• $1.56bn

Levels of service

The City will need to change in order to comply with the freshwater quality standards set out in the National Policy Statement-Freshwater Management (2020) (NPS-FM) by 2040. This regulation sets out to reduce the risks to public health from recreation/food gathering, prevent further degradation to receiving waters, and respect the aspirations of iwi and communities to restore Te Mana o Te Wai.

The state of our wastewater assets must improve if we are to meet the level of service demanded by the NPS. We need to fix leaks and remove systemic designed overflows that divert sewage into the stormwater system.

Failures in wastewater system are detrimental not only to environmental and human health, but also to the City's reputation. The Mayoral Taskforce made a clear statement around Wellingtonians' collective expectation around an improved level of service for wastewater.

Asset management maturity

Condition monitoring and assessment requires further development in Wellington City. Continued discovery of historic constructed overflows indicates that there is further work required, particularly for the most critical assets, for example the interceptor and pressurised rising mains. Some of the recent failures in Wellington can be attributed to this lack of condition monitoring and assessment.

WWL is undertaking inspection and maintenance of critical assets, and making other improvements to WWL asset management processes. Investments in this area are now underway using funding allocated through the Government's recent three waters stimulus package and through additional Council funding.

Managing the renewals and upgrades of the wastewater network relies on good data to inform the most optimal investment programme. We already know a lot about our wastewater assets in terms of location, material, and age. But we do not know enough about asset condition.

	Replacement Cost	Condition (1-5)	Performance (1 -5)	AM Maturity
	• $1.6bn	• 3 -Maintenance required	• 3 - Moderate	• Under review

Key issues

Key issue – Premature failure of pipes	Level of service impacts
More than 1,000 km of public wastewater network has been developed over the past 125 years and many parts of it are now ageing and in poor condition. Recent high profile failures have highlighted the risks associated with this ageing infrastructure, and evidence shows that more than 7.5% of wastewater pipes are now in poor or very poor condition. The City is facing block obsolescence of a large part of its network reflecting a sustained period of growth in previous generations. Some of these pipes are more than 100 years old.	Premature failure of pipes is disruptive and will constrain growth, as has happened on other parts of Aotearoa New Zealand. Failures are occurring now and without further investment in the network, levels of service would reduce with negative impacts on the environment and increasing public health risk.

Principle options	Preferred option ($1.46 billion thirty years)
1. Continue to use assets beyond their economic life 2. Increase renewals investment, prioritising critical assets.	*2 - Increase renewals investment* Wellingtonians have told us that accepting the increased risk of failures of not investing is not acceptable.

Key issue – Wastewater system overflows	Level of service impacts
Legacy design where wastewater is diverted to freshwater or stormwater when there are high flows or blockages, makes achieving the objective of keeping wastewater out of freshwater a very challenging proposition. The wastewater system experiences regular blockages and overflows which are offensive and harmful to people and the environment. The system can be overloaded in rainfall and also leaks, letting stormwater in during wet weather and letting wastewater out during dry weather. Private lateral pipes also leak and are sometimes mis-connected to the stormwater system, allowing pollution directly into our streams and coast. We do not have an adequate understanding of the behaviours of our dry weather sewage overflows, this needs substantial and sustained investment in order to meet regulatory and community expectations.	Impacting freshwater quality standards and the consequential impacts on the environment and public health would continue to worsen without investment in decoupling the wastewater and stormwater and marine environs.

Principle options	Preferred option
1. Progress immediate reactive fixes to overflows 2. Increase monitoring and understanding of the scale and nature of the problem so that investment can be prioritised to drivers of overflows.	*2 Increase monitoring and understanding* We do not believe that we have sufficient information about constructed overflows to understand how we can eliminate them from our network. Monitoring and understanding is critical to direct investment toward the right solutions. This option will be addressed as part of the $1.46b wastewater renewals programme.

Key issue – Sewerage sludge	Level of service impacts
The sewage system ultimately produces biosolids that need to be disposed in a way that meets expectations around waste and carbon reduction. The City's biosolids are unstable and toxic; the appetite for risk here is low, and the system must be suitably resilient to seismic and other shocks.	Ongoing disposal of biosolids at the landfill maintains a high waste and carbon profile Ongoing resilience issues in the management of sludge through ongoing reliance on transport of biosolids from Moa Point to the Southern Landfill.
Principle options	**Preferred option $147m-$208m in the first 10 years**
1. Accept the status quo. 2. Invest in sludge minimisation to contribute to meeting its waste and its carbon aspirations. This is currently the subject of the 2021-31 LTP consultation.	*2 - Invest in sludge minimisation* Investment in sludge is a required pre-requisite to both making progress on waste and carbon, both of which are critical priority outcomes for Wellington City.

Key issue – CBD wastewater network	Level of service impacts
The effect of a wastewater failure on the CBD is exponentially worse than in other areas – from an economic and a reputational viewpoint. We know from first hand experience that sea level rise is already upon us; in some parts of the	Premature failure of pipes is disruptive and will constrain growth,

City this presents real challenges when working with underground assets. The risk of this is further exacerbated by the ingress of seawater in low lying areas, resulting in advance degradation of ferrous assets and ongoing challenges working in and around assets where the sea level continues to rise.	as has happened on other parts of Aotearoa New Zealand.

Principle options	**Preferred option $42m over 10 years**
1. Accept the increased frequency of risk of asset failure, and make reactive repairs. 2. Proactively address these issues to avoid costly and damaging failures, and to provide for growth.	*2 - Proactively address these issues*

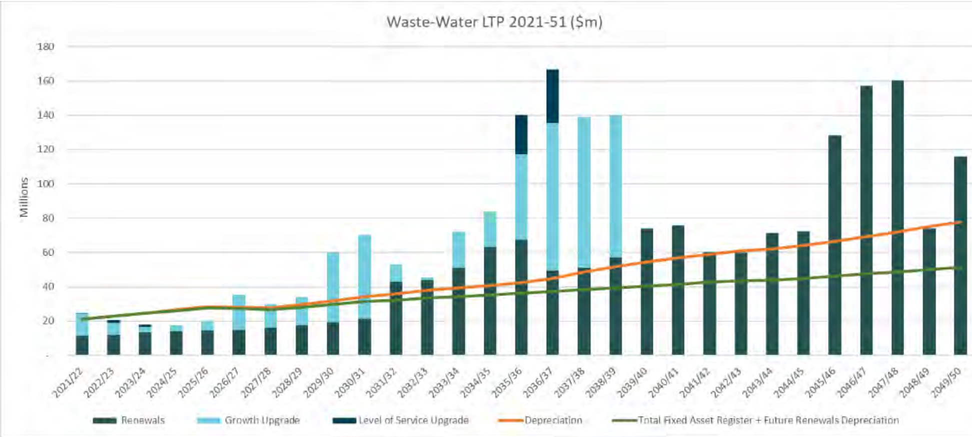
Key issue – Private ownership of laterals	**Level of service impacts**
Currently residents are responsible for the maintenance of the pipes connecting their property to the wastewater (sewerage) main underneath the road corridor. These are called wastewater laterals. This is problematic as often residents are not aware of their responsibilities and are unable or unwilling to pay for repairs when their lateral fails. Often the failure of laterals under the road corridor are also outside of the control of property owners, for example being the result of damage caused by street tree roots. Most Councils in New Zealand are responsible for the maintenance of laterals in public land. The Council's policy is being amended to be consistent in the region and New Zealand. This would result in the Council taking responsibility for the section of the wastewater lateral beneath the legal road to the property boundary. This will create efficiencies in maintenance by allowing us to plan their renewal alongside wastewater mains. The lack of maintenance of those private pipes, which most owners are not even aware of, also needs to be made a priority. Blockages are also occurring as a result of people flushing materials that the system is not designed to accommodate. The solution lies in taking better care of these ageing pipes and pump stations and treating wastewater to a standard that meets our communities' aspirations.	Public and private wastewater pipes should be maintained in a water-tight condition, so they do not leak or spill any wastewater before it reaches the treatment plants, where it is treated to a suitable standard to return to the ocean. The pipes should also be resilient, not only to natural hazards like earthquakes but also to other interruptions like blockages and maintenance.

Principle options	**Preferred option**
1. Maintain the status quo. 2. WCC take ownership and maintenance responsibility	*2. WCC take ownership and maintenance responsibility for wastewater laterals* We have previously consulted on the issue in a prior Annual Plan, and laterals adoption

for wastewater laterals	options are currently the subject of the 2021-31 LTP consultation **Opex Cost:** $4.6m (over 10 years) **Capex cost:** $24m (over 10 years)

Capital investment

The planned wastewater investment programme over 30 years is:



*The above graph is inflated.

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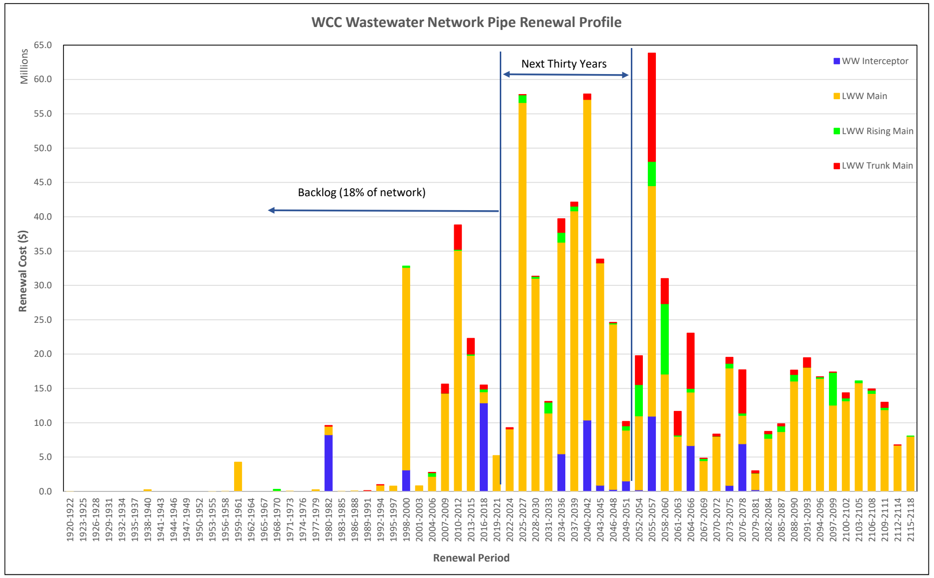
A planned renewals programme, rather than a reactive renewals approach, will minimise asset failures and the impact on rates. By not addressing the ageing wastewater infrastructure in a planned way we will see an increase in pipe failures and longer outage times. This will creating additional operating and capital cost. A failing and poor condition waste network has environmental impacts in polluting our waterways and the sea.

- The City has significant deferred renewals and it will take a concerted effort to close this gap.
- The planned level of renewals for the first ten years has increased by over 89% compared to the first ten years of the 2018 LTP. The level exceeds the depreciation funding for the existing assets in 2032, where excess depreciation funding prior to this will be used to fund the higher level of renewals. With a significant uplift in renewals from 2039/40, borrowings will fund any excess renewals and repaid over the life of the asset.

- There is a significant increase in volume of assets that are coming to the end of their expected useful life from around 2031/32. The forecast budget more than doubles to match the planned uplift in the renewal programme
- There is $172m of upgrades for growth budgeted in the first 10 years compared to $4m in the prior LTP. This is forecast to increase further as the planning for growth project is completed over the next 2 years.
- There is a significant increase in volume of assets that are coming to the end of their expected useful life from around 2031/32. The forecast budget more than doubles to match the planned uplift in the renewal programme.



Upgrade investments

The main area of upgrade where a level of service will be necessary is likely to be in eliminating or minimising sewage pollution in order to meet the requirements of the NPS-FM. This is targeted at Karori in the first ten years, and there is likely to be improvements in levels of service as a result of investments in growth.

The second area is around biosolids disposal. Investment in biosolids is necessary if the City is to meet its carbon and waste minimisation aspirations.

Growth investments

The City proposes unlocking capacity and growing redundancy in the CBD through investing in the Taranaki St pump station and rising main in Te Aro. We also intend to grow capacity by investing in intermediate storage in the central area, and managing peak flows from outer suburbs through to Moa Point.

We also intend investing in unlocking the constraints for the Stebbings Valley greenfield area.

Deliverability

WWL advises that industry ability to scale up to deliver an increased capital spend is a matter of concern. The deliverability limitations related to potable water discussed in the previous section also apply to delivery of wastewater investment.

Stormwater

Overview of infrastructure

Historically, the purpose of our stormwater system has been to drain rainwater from homes, premises and roads to prevent flooding that creates risks for public health and safety. The physical assets include pipes, culverts and sumps, but the performance of the system is also highly dependent on overland flow paths that carry the water around, rather than through, individual properties and enable the safe passage of stormwater when the pipe network is at capacity.

Streams have also been piped over time to enable the development of roads, buildings and other city infrastructure. The stormwater systems around the city have been designed to a range of standards for the amount of rainfall they can accommodate, meaning that some parts of the city are more prone to flooding than others.

The existing stormwater systems discharge directly into the environment, but it is now recognised that stormwater is a source of contaminants that can impact on water quality and ecosystem health. Heavy metals (such as zinc and copper), hydrocarbons, sediments and nutrients enter the water from areas of urban development causing acute and chronic toxicity to the indigenous fish and invertebrates that once thrived in our city's waterways. Changes in flow during small to moderate rainfall can also cause erosion in streams, and the discharge of 'hot' stormwater in summer rainfall can be detrimental to downstream ecosystems.

Taken all together, the adverse environmental impacts of the stormwater system can extend through the entire stream system to the harbour, where sediments smother life on the seafloor. Wastewater that enters the stormwater system either through leaking wastewater pipes, constructed overflows from the wastewater network or illegal connections, creates a significant public health risk and prevents safe swimming in our streams or coastal waters following even moderate rainfall. It also impacts on the aquatic life and biodiversity of these water bodies.

Having access to water bodies that are safe for human contact and that sustain their natural ecosystems is highly valued by iwi and our communities. Our stormwater systems have not been designed to remove these contaminants, but the National Policy Statement on Freshwater Management (NPS-FM) requires their performance to be improved. The existing water quality is poor and none of the city's water bodies are likely to meet the targets that are expected to be set under the region's Natural Resources Plan without significant investment.

The table below summarises outcomes delivered to and value of assets

• Outcome	• Drinking Water Contribution
• Safe and healthy water	• The stormwater system conveys rainfall away from habitable spaces, avoiding flooding.
• Respectful of the environment	• Increasingly the community is taking an active role in better water catchment management to improve the quality of our urban waterways.
• Resilient networks that support our economy	• The National Climate Change Adaptation Plan and associated legislative changes will cascade into the development of the City's own adaptation action plan. This will incorporate policy and infrastructure measures involving green and hard infrastructure.
• Assets	• Replacement value

• Storm water pipes 729 km $993M • Tunnels 3 km $32M • Pump Stations 2 $3M • Fittings 28,000 $147M	• $1.18M

Levels of service

New legislation will have an impact on the stormwater level of service. The Greater Wellington Region Council (GWRC) Natural Resources Plan gives effect to the National Policy Statement - Freshwater Management via Whaitua te Whanganui-a-Tara ('Whaitua'). This will in turn require improvements in wastewater overflows, wastewater dry weather leaks and stormwater contaminants. The status quo will not satisfy these increased requirements. This links to our investment in wastewater and is a significant strategic driver of change across this sector.

In anticipation of this shift in focus, as part of the Global Stormwater Consent stage 1, WWL is already piloting the deployment of roving crews looking at cross connections and sanitary surveys of key catchments. The intention is to roll out a more comprehensive regime across the City in the course of stage 2.

Asset management maturity

Traditionally, stormwater has been about gravity drainage of rainwater. Increasingly however, it is also about water quality and environmental concerns, such as fish passage and a desire to 'daylight' pipes streams. This is a challenge to the traditional asset management approach.

A further challenge is the changing climate and sea level rise. The existing assets were not designed with these changes in mind, and therefore the stormwater network is increasingly unfit for purpose. Seawater intrusion is now significant, and we need a greater level of granularity to understand how to meet this challenge now and into the future. For example, we will probably need to pump more stormwater in future. The current setup was not designed as a pressurised network.

Asset Type	Replacement Cost	Condition (1-5)	Performance (1 -5)	Data confidence (A-E)	AM Maturity
• Stormwater	• $1.2bn	• 3- maintenance required	• 3 - Moderate	• A-B Minor inaccuracies (1)	• Under review

Key issues

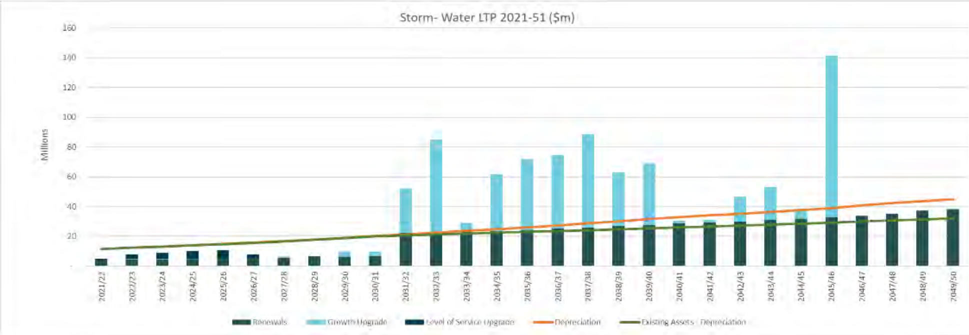
<table>
<tr><th colspan="2">Key issue – Climate change</th><th>Level of service impacts</th></tr>
<tr><td colspan="2">Stormwater is closely linked with roading, flooding and land use. With climate change, stormwater management is likely to be a constraint on the future shape of Wellington. The challenges with managing stormwater are expected to increase over time as the frequency of heavy rain events increases, sea level rise makes it more difficult for stormwater to discharge, and as growth and intensification reduces ground permeability and impacts on overland flow paths. Historically our stormwater planning has not been cognisant of climate change challenges such as more intense rainfall and sea level rise.</td><td>Increased levels of flooding and constraining future growth will result in a downward trending level of service without a combination of investment and the inclusion of natural hazards planning rules in the District Plan.</td></tr>
<tr><th>Principle options</th><th colspan="2">Preferred option</th></tr>
<tr><td>1. Retain the status quo
2. Deal with climate change issues via the District Plan which will enable the City to grow with risks and to provide for critical overland flowpaths, augmented by targeted investment in priority areas where there is elevated risk.</td><td colspan="2">2 - Deal with climate change
We do not believe the status quo is an option – the risk to assets, property and safety of more intense rainfall and flooding is not defensible.
There is a $640m (over thirty years) capital renewals work programme that will be designed to accommodate changing standards.</td></tr>
</table>

<table>
<tr><th colspan="2">Key issue – Green infrastructure</th><th>Level of service impacts</th></tr>
<tr><td colspan="2">In order to manage the environmental impacts of stormwater run off in line with increasing community expectations there will be an increased use of green infrastructure alongside traditional approaches to managing stormwater. As green infrastructure is adopted as part of stormwater management, this will challenge the traditional asset management and ownership models. For example, we do not currently depreciate green assets.</td><td>Management of impacts of storm water run off with green infrastructure to maintain and improve the level of service as we increase housing across the city.</td></tr>
<tr><th>Principle options</th><th colspan="2">Preferred option</th></tr>
</table>

1. An option is to retain a focus on hard infrastructure only. 2. Confront the existing challenges around ownership, management and funding of green infrastructure, and the challenges of integrating it with hard infrastructure.	*2 - Confront the existing challenges around ownership, management and funding of green infrastructure* While current policy settings do not require green infrastructure, this is a likely outcome of work currently underway. Assets will need to meet design and performance requirements, and have maintenance properly funded. Where possible, the renewals capital programme will be used to substitute hard infrastructure with green infrastructure solutions

Renewal investment

The planned stormwater investment programme over 30 years is:



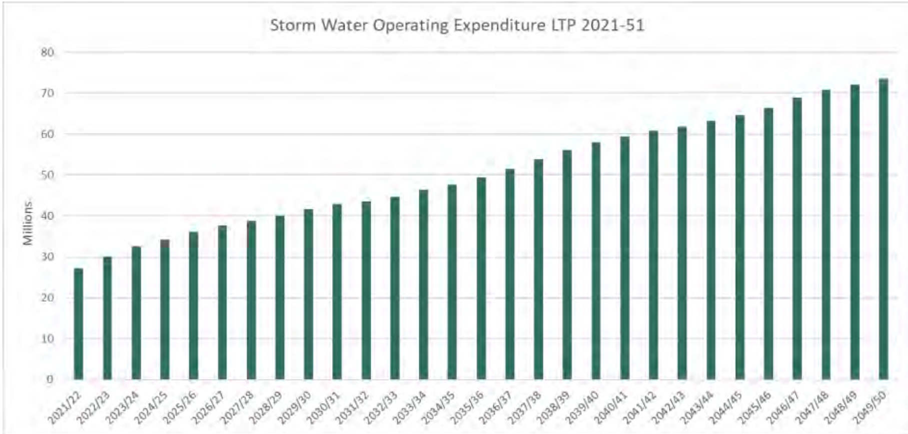
*The above graph is inflated.

- The level of renewals for the first ten years has increased by over 25% compared to the first ten years of the 2018 LTP. The level exceeds the depreciation funding for the existing assets in 2031 /32. There is a significant uplift in renewals from 2031/32.
- There is a significant increase in volume of assets that are coming to the end of their expected useful life from around 2031/32. The forecast budget more than doubles to match the planned uplift in the renewal programme.

WWL has recommended limited investments targeted at key areas. This will necessitate accommodating, where practicable, natural green and open spaces that use vegetation, soils, and other elements and practices to help deal with environmental challenges such as stormwater runoff and climate adaptation. This would supplement and, where possible, replace hard infrastructure, while providing increased biodiversity, flood protection, and more green and open spaces throughout the city.

Upgrade investments

The City needs to start focussing on sensitivity to our changing climate, more intensive rainfall and flooding. This means bigger pipes, pumping of stormwater and a sophisticated relationship with land use planning. In the short term, this is already underway in areas like Tawa. In the longer term, there is a desire to investigate daylighting of streams and other interventions that improve the amenity value of freshwater.



*The above graph is inflated.

Growth investments

For stormwater, the interdependence with land use, the District Plan and the Building Act (through floor levels) is paramount.

As the City grows, some areas (such as Johnsonville) will require direct investment in order to unlock growth. In some other areas, District Plan settings will set the bar for new developments and subdivisions that will be required to actively manage stormwater impacts. Hydraulic neutrality will be a condition of consents and developers will be required to present a water impact assessment. This is expected in turn to drive water sensitive urban design into developments.

This will further challenge our asset management processes and policies.

Deliverability

For stormwater, deliverability is not so much about contracting and hard infrastructure (although this is still a requirement), but more about innovation, design and catchment analysis. This means that a significant building block for future stormwater management is the analytical, science and engineering advice that will inform policy and investment decisions.

For stormwater, deliverability will hinge on the availability of this type of advice, and the willingness of decision makers to deploy stringent consent and planning conditions.

Stormwater is inextricably linked to wastewater and land use planning. In our view there is a risk that Government reforms not covering stormwater might create an 'orphan' that cannot be delivered, and is in competition with the other waters, rather than being complementary.

Community infrastructure

Introduction

In addition to our key infrastructure areas of transport and three-waters, Council owns a range of 'community infrastructure' including our venues, social housing, libraries, pools, community halls, parks and open space.

There are two significant issues relating to these assets that drive our infrastructure plans and the consultation items within our Long-Term Plan.

Key issues

Seismic resilience of buildings

The 2016 Kaikoura earthquake damaged a number of our buildings creating the need for significant investment in their remediation. It also heightened awareness of the seismic risk facing many of our other buildings, creating further requirements for strengthening.

In particular the buildings in Te Ngākau Civic Square, including the Central Library, the Municipal Office Building (MOB) and the Civic Administration Building (CAB) have needed to be vacated and require significant investment to bring back online. Our venues, including the St James theatre and Town Hall are also undergoing significant strengthening work and our other venues (Michael Fowler Centre, TSB Arena and Opera House) are in need of upgrade.

We plan on investing over $200m in the remediation work required across Te Ngākau Civic Square including the high-level remediation of the Central Library. We also plan on investing $45m in the upgrade of our venues following a strategic review to ensure that investment is prioritised in the right venues to deliver the best outcomes for Wellington .

In addition to the challenge this creates on our capital budgets, the scale of investment required also creates funding challenges. Fully funding the upgrade and remediation with traditional funding arrangements for all of these assets would challenge our debt limits and would require improvements to be phased out over a significant period of time.

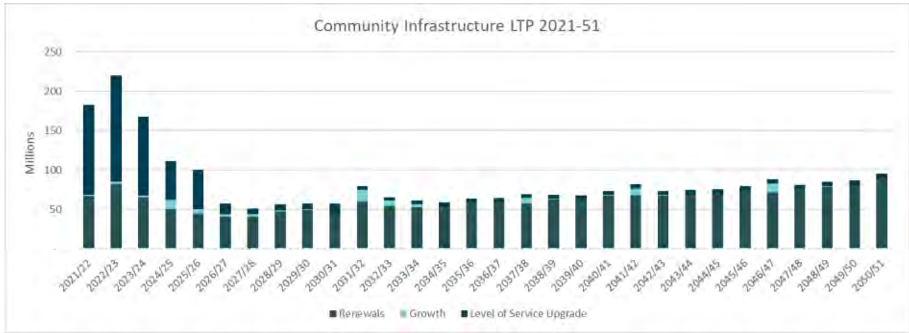
Our preference is, where appropriate, to look for partnering opportunities with long-term ground leases to progress works in Te Ngākau Civic Square, particularly for the MOB and CAB building sites. Partnering is not an option that we are examining for the Central Library.

Social Housing upgrades

The Council has more than 1,900 social housing units across the city. In 2007, we signed a Deed of Grant with Central Government. It commits us to remaining a provider of social housing until at least 2037 and to upgrading our housing portfolio to modern standards.

We have completed phase 1 of the upgrades, for which we received a $220m grant from Central Government. Phase 2 is due to begin in 2022 and be completed by 2028. By 2024, we also need to complete further upgrades to meet the new Healthy Homes standards set out in legislation.

We plan to undertake this full upgrade programme, however as outlined earlier in this Strategy, there are fundamental financial sustainability issues and City Housing operations are currently unable to sustainably fund this level of investment. We have provisioned three years of the capital programme to commence upgrades, deliver the required renewals for our tenants homes and meet the Healthy Homes legislative requirements. We are exploring alternative funding models for the balance of the City Housing programme.



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Appendix A – Data definitions – condition, data confidence and criticality

	Condition	Data Confidence	Data Confidence	Criticality of an Asset	Asset Management Maturity
1	Excellent	• Systematic and fully optimised data programme •	• (A) Reliable – data based on reliable documents =/- 5%	• Major, region wide, long-term disruption and significant cost to restore service	•
2	Some minor maintenance work is required	• Reliable data in information system with analysis and • reporting	• (B) Minor inaccuracies – data based on some supporting documentation +/- 15%	• Significant disruption over an extended period	• Advanced
3	Maintenance is required to return to the expected level of service	• Sufficient information to support basic analysis	• (C) Uncertain Significant data estimated – data based on local knowledge +/- 30%	• Serious localised impacts and cost	• Intermediate
4	Requires a significant upgrade	• Basic /incomplete information based on assumptions	• (D) Data based on best guess of experienced person +/- 40%	• Minor service disruption.	• Core
5	The asset is unserviceable.	• No asset register	• (E) Unknown – no information held against	• Negligible social or economic impact	• Basic

data

Draft Statements of Service Provision

Introduction

Our work is divided into seven strategic areas. These areas represent how we work and are driven by our long-term goals for the city:

- **Governance** – information, consultation and decision-making, and public engagement, including engagement with Māori residents and mana whenua partners
- **Environment and Infrastructure** – gardens and beaches, green open spaces, water, wastewater, waste reduction and energy conservation, environmental conservation attractions and the quarry
- **Economic development** – city promotions, events and attractions, and business support
- **Cultural wellbeing** – galleries and museums, community arts and cultural support, and arts partnerships
- **Social and recreation** – libraries, recreation facilities and programmes, public health and safety, housing and community support
- **Urban development** – urban planning and policy, heritage and character protection, building control and facilitation, development control and facilitation, earthquake risk mitigation and public spaces development
- **Transport** – transport planning and policy, transport networks and parking

In each chapter you'll find information about the work we do, the reasons for doing that work and our goals in relation to it, any new proposals and key projects, and outcomes we are working towards.

Pārongo ā-tāone | Governance

We aim to build trust and confidence by being open, transparent and accountable.

The key groups of activities under this strategic area are:

1.1 Governance, information and engagement

1.2 Māori and mana whenua partnerships

1.1 Kāwanatanga, Pārongo me ngā mahi whai wāhi | Governance, information and engagement

Our governance activities include managing local elections, informing residents about the city and the issues or challenges it faces, listening to residents' views and making decisions in the best interests of Wellingtonians.

Our information and engagement activities include being open and talking with people who live in Wellington about the plans and decisions we make for our city.

Activities in this group

1.1.1 City governance and engagement

1.1.2 Civic information

1.1.3 City archives

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To facilitate democratic decision-making.* In carrying out activities to ensure our decision-making is democratic, we aim to enhance residents' trust and confidence in the Council.
- *To provide open access to information.* Easily accessible information allows people to use the city's facilities. We also provide residents with a point of contact for service problems and other feedback.
- *Engaging residents.* Providing good quality information and engaging residents in the key issues facing Wellington

Services we provide

- Providing accurate and professional advice, research and administrative support to elected members and community boards
- Organising local body elections, and encouraging all Wellingtonians to have their say on who will govern their city
- A contact 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 community engagement on key issues and input from Council advisory groups
- Supporting programmes to reduce the City's carbon emissions. Consideration of the city's carbon emissions and how they can be reduced doesn't sit in this activity alone. When we make decisions on transport, the landfill and how and where the city grows, climate change impacts are considered. Te Atakura outlines how we will deliver on our emission reduction goals over time

Key projects/programmes

- Digitisation – $7.6m over the first 3 years of this plan to complete city archives digitisation work.
- Advisory groups – implementation of changes to advisory groups- establishing a new Rainbow advisory group ($40k pa)
- Te Atakura/First to Zero - $11m over ten years (about $1m per year) to measure our emissions, engage residents, and develop climate action initiatives in partnership with a range of stakeholders.

- A $300k grants fund available for non-Council event organisers in Wellington City to apply to be Living Wage events.

Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
1.1 Governance, information and engagement	We do not anticipate any significant negative effects associated with the provision of these services.	

Operating and capital budgets

What you can expect of us – performance measures

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Performance measure	Previous target (2020/21)	Target 2021-31
Facilitating democratic decision-making		
Meeting and committee agendas (%) made available to the public within statutory timeframes	100%	100%
Percentage of residents who have adequate opportunities to have their say in	changed	Baseline

Council activities		
Percentage of residents satisfied with the process by which Council makes decisions	changed	Baseline
Providing information and a point of contact		
Percentage of residents that can easily access Council information (via website, libraries, social media, newspapers etc)	55%	55%
Contact Centre – Contacts responded to within target timeframes (all)	90%	90%
Official information requests (%) handled within Local Government Official Information and Meetings Act legislative timeframe	90%	95%

1.2 Rangapū Māori/Mana Whenua | Māori and mana whenua partnerships

As part of our Treaty of Waitangi obligations, we need to ensure mana whenua and Māori meaningfully participate in, contribute to and inform Council decisions. Engagement with the wider Māori community recognises the special provisions for Māori within our legislative framework and their unique position as tangata whenua. Improved partnerships and capacity building are the cornerstones of this engagement.

Māori capacity to contribute to decision-making processes

We strive to ensure the views of mana whenua and Māori are recognised for the benefit of all Wellingtonians. We are guided by the He Waka Eke Noa – Effectiveness for Māori Framework. This establishes the principles of how the Council will work more effectively with and for iwi partners and Māori within the city.

We work with the city's two mandated mana whenua organisations, Taranaki Whānui ki te Upoko o te Ika and Te Rūnanga o Toa Rangatira Incorporated, to ensure their views are represented in decisions about the city and their contribution to Wellington's heritage is fully and publicly recognised.

Our responsibilities to these organisations are outlined in a recent memorandum of understanding (MOU), signed in March 2017, which focuses on strategic planning at a leadership level – standing side by side, looking to the future together.

Activities in this group

1.2.1 Māori and mana whenua partnerships

Rationale

This activity grouping primarily contributes to the community outcome: An innovative, inclusive and creative city

- To strengthen our partnerships and recognise the special place of Māori and mana whenua in Council decision-making

Services we provide

- Continuing to grow our relationship with two mana whenua partners, fulfilling our commitment under the MOU and continuing to develop Māori capacity to engage in Council decision-making
- Encouraging and providing opportunities for Māori to engage in dialogue with the Council, ensuring their perspective is reflected in Council decisions and actions
- Delivering several community events and engagements that serve to incorporate a Māori cultural perspective for the city
- Partnering with the Māori community and other agencies to deliver events, in line with our Effectiveness for Māori Framework, Te Taurapa Māori Growth Strategy and Te Tauihu Te Reo Māori Policy

Key projects/programmes

- Investing in partnership – $2m operating funding in year 1, $3m in year 2 and ongoing for growth in our Māori partnerships team along with internal capability build to improve cultural competencies within the Council and for delivery of He waka eke Noa Effectiveness for Māori framework, Te Taurapa Strategy and Te Tauihu Te Reo Māori Policy. Within this could be funding for heritage preservation, economic development and Te Reo Māori revitalisation, as agreed in partnership with Māori. Funding is also to support any decisions on different approaches to representation in Council governance structures or increased support to mana whenua for building their capacity to be involved.
- District Plan Review – ensure that mana whenua is involved in, contributes to the development of, and can see their aspirations for the City reflected in the new district plan.

Key challenges and negative effects

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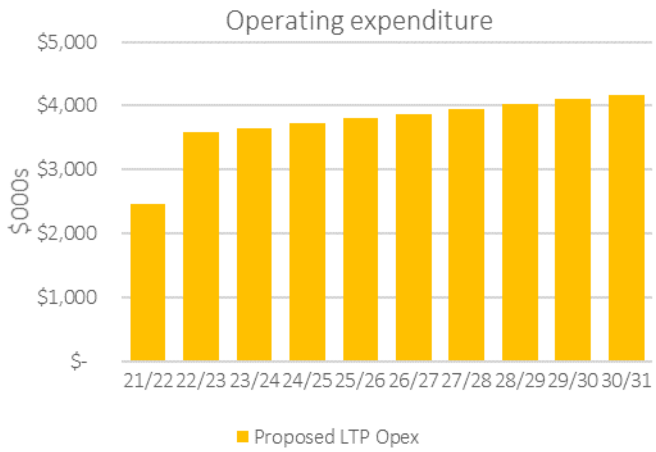
Activity	Key challenges and/or negative effects	Mitigation
1.2 Māori and mana whenua partnerships	We do not anticipate any significant negative effects associated with the provision of these services.	

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Customer focus		
Number of annual initiatives delivered that strengthen WCC relationships, presence and intelligence so that Māori are engaged in Wellington's future	new	Measure to be defined

Taiao | Environment

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

The key groups of activities under this strategic area are:

2.1 Gardens, beaches and green open spaces	2.4 Wastewater
2.2 Waste reduction and energy conservation	2.5 Stormwater
2.3 Water	2.6 Conservation attractions

2.1 Ngā Māra, Tātahi, Whenua Pārae, Ngahere | Gardens, beaches and green open spaces

The city's parks, gardens and coastlines are a precious resource. They are integral in the health of the city and Wellingtonians by providing spaces for recreation, community gatherings and events.

One-eighth of Wellington's area is reserve and has been protected for generations. It is a vital and iconic part of Wellington's landscape, and also supports the city's response to climate change by acting as a carbon sink, supplementing the stormwater network especially in severe weather events and enhancing biodiversity in the city.

To ensure these spaces continue to contribute to a high quality of life for all Wellingtonians, we invest to protect, maintain and develop these areas.

The work carried out in this area makes the city's environment greener and more pleasant for all Wellingtonians – it improves our quality of life and sense of pride in the city. These spaces also make Wellington an attractive place to visit.

Activities in this group

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

Rationale

This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital

- *To provide access to green open spaces.* High quality natural and green environments contribute to off-setting our carbon emissions and enhance Wellington's sense of place – making it a great place to live, work and play.
- *To provide public places to congregate.* Accessible and high-quality open spaces encourage people to gather together, share activities and connect with each other.
- *To provide access to recreational opportunities.* These activities provide high quality open spaces for a wide range of recreation activities, such as walking and mountain biking.
- *Water sensitive urban design* - The green network and spaces throughout the City are an important part of the stormwater network and will increasingly be used to supplement the underground network of pipes.
- *To enhance biodiversity.* By providing high-quality green open spaces and pest management activities we aim to protect biodiversity and increase local carbon sinks, improving the quality of our natural environment and making the city a better place to live, work and play.

Services we provide

Managing and maintaining:

- 4000 hectares of parks, reserves and beaches
- the Wellington Botanic Garden and other Wellington gardens
- 120 buildings located in parks, reserves or beach areas for community use
- 340 kilometres of recreational walking and mountain bike tracks
- multiple boat ramps, wharves, seawalls and slipways

Key projects/programmes

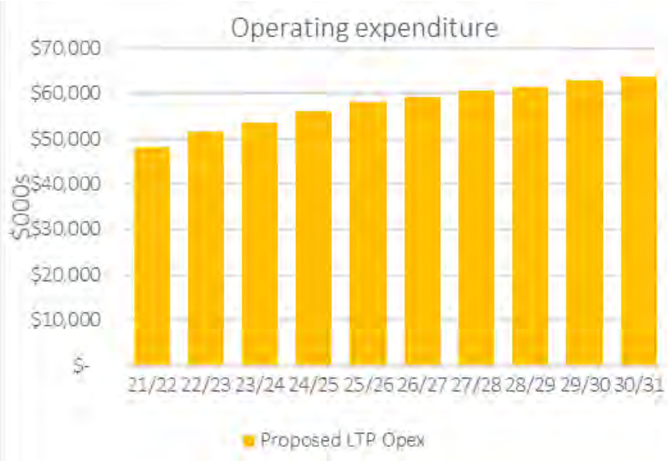
- Investment in the upgrade of botanic gardens buildings (Begonia House $8.5m in years 2-5 and Otari-Wilton Lab and Nursery $3.1m in years 5-9)
- Town belt upgrades and renewals programmes- including reserve land acquisition and community Parks and Trail development in Lincolnshire Farms
- Ongoing support for Predator free and community trapping ($500k pa Years 1-6)
- Renewal and development of new Central city greenspaces and parks ($4.8m for land acquisitions over 10 years and $30m in years 11-30)
- Supporting communities to plan for climate change impacts ($1.4m over 10yrs)
- Frank Kitts Parks playground upgrade in addition to a phased programme of playground upgrades- 3 playgrounds ($700k) over 10 years.
- $314K to deliver phase 1 of the community proposed plan for Huetepara Park in Lyall Bay in years 1 to 3 and $1.1m in years 4-5.

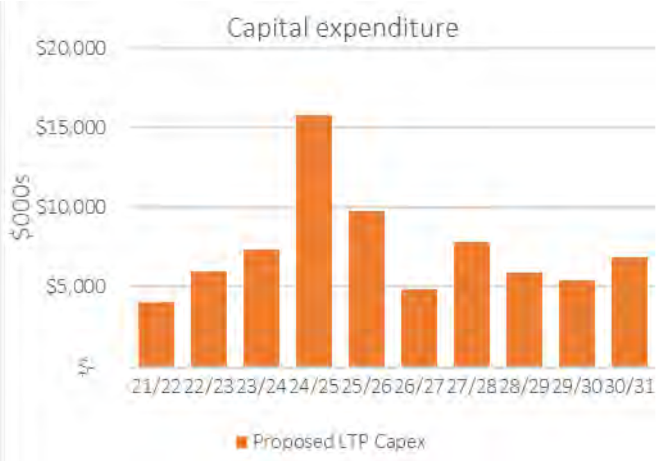
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
2.1 Gardens, beaches and green open spaces	Recreational use of the city's green open spaces can have negative effects on the immediate environment. In most cases, these are not significant.	In our management of the city's green open spaces, we seek to balance recreation needs against environmental protection.
2.1 Gardens, beaches and green open spaces	Service delivery in a challenging natural environment and managing effects of climate change.	Further analysis and investigation needs to be undertaken to understand the effects over the next 11 to 30-year period. Assets at risk need to be identified and decisions made around reinforcing or removing these assets.

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
Utilisation		
Residents (%) satisfied with the quality and maintenance of green open spaces (local parks and reserves, playgrounds, botanic gardens, beaches and coastal areas, walkways and trails, waterfront, forested areas and green belts)	90%	90%
Affordability		
Cost to the ratepayer per visitor to the Wellington Botanic Gardens and Otari-Wilton's Bush	<$4.20	<$7.00
Protect and enhance our biodiversity		
Plant 3 million native plants by December 2030	2 million by 2025	Y1: 2,107,000 Y2: 2,213,000 Y3: 2,319,000
Hectares of high-value biodiversity sites covered by coordinated pest management	296	Y1: 371 Y2: 386 Y3: 426

2.2Tiaki Pūngao, Whakaheke Para | Waste reduction and energy conservation

Wellington produces few emissions compared with major cities in New Zealand and Australia, but we can always do more to reduce them further. The Council is committed to being more sustainable. This means that we will reduce our environmental impact by making efficient use of energy, water, land and other resources, shifting towards renewable energy resources, conserving resources and minimising waste.

We manage and monitor landfill operations and composting waste at the Southern Landfill, undertake domestic recycling and rubbish collection services, limit the environmental impact of closed landfills, and undertake programmes to educate residents on how to manage and minimise waste effectively.

Activities in this group

2.2.1 Waste minimisation, disposal and recycling

2.2.2 Closed landfills aftercare

2.2.3 Energy efficiency and conservation

Rationale

This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital

- *Reducing environmental impacts.* We aim to reduce our impact on the environment by minimising and managing the disposal of waste, by making more efficient use of existing resources, measuring and reducing our carbon footprint, and by shifting toward renewable energy resources.

Services we provide

- Domestic recycling and rubbish collection
- Green waste disposal and composting facilities
- Education and advocacy for greater waste minimisation practices in the homes of Wellingtonians
- Facilities for disposing of hazardous and industrial waste, waste from developments and construction activities, and waste from emergencies and disasters
- A recycling facility, including a shop for the sale of reusable goods
- Supporting programmes to reduce the organisation’s carbon emissions.

Key projects/programmes

- WCC carbon reduction programme - $3.9m over ten years to electrify our vehicle fleet and develop our Climate Smart building policy (not including our energy management programme that is cost-neutral)
- Investing in sewage sludge reduction - $147-208m in years 2-5 (exploring a ‘Special Purpose Vehicle’ and delivered through the Infrastructure Funding and Financing Act)
- Southern Landfill at capacity- provision of $36m pending sludge decision making
- Provisioning $2.2m in year 4 towards establishment of a Resource Recovery Park or the priority outcomes of the strategic waste review
- Waste minimisation – implementing actions from the current strategic review of waste which will encompass additional work in waste minimisation including the outcome of the current organic waste trial and food sustainability plan. Anticipated but unbudgeted additional waste levy income may also be available to further fund these waste minimisation activities.

Key challenges and negative effects

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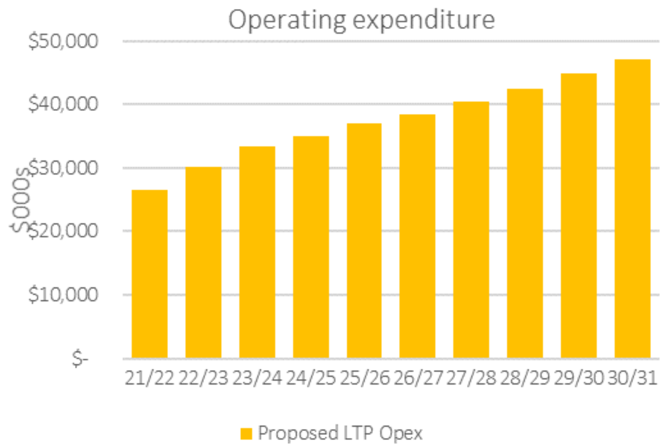
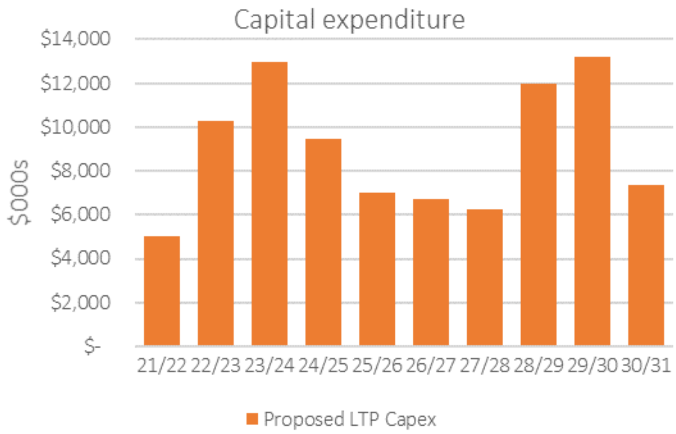
Activity	Key challenges and/or negative effects	Mitigation
2.2 Waste reduction and energy	Waste management has the potential	The construction and management of the Southern Landfill is designed to minimise the impact of these.

conservation	to create leachates and gases.	The service is subject to resource consent conditions and is monitored.
	Methane and carbon are products of the landfill.	We capture and destroy the methane which minimises the impact of the landfill on the environment and generates energy in the process. Some carbon is still released to the environment. We aim to reduce carbon emissions throughout the city and reduce the amount of waste generated through our Low Carbon Capital Plan.

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
Waste minimisation activities		
Volume of waste diverted from landfill (tonnes)	20,000	20,000
Residents (%) satisfied with kerbside recycling service	85%	85%
Users (%) satisfied with waste collection service	90%	90%

Energy conservation		
WCC Group GHG emissions (tCo2-e) decreasing	Achieve 2050 target	Achieve 2050 target

2.3 Waimāori | Water

A city needs a steady supply of clean, safe, drinkable water. It's a resource that's in limited supply. Before it can be supplied to Wellington households, it has to be gathered in rainwater catchments, stored and treated to ensure it's free of contamination. It is then piped to Wellington and distributed to every household and business through an extensive network. The city shares its water supply with the region's other main metropolitan areas utilising water collection, bulk storage, treatment and transportation assets owned by Greater Wellington Regional Council.

This complete water supply service, including the bulk water, is managed, controlled and maintained for the councils by Wellington Water Limited, a CCO.

Focus is also on managing the significant renewal requirements of the drinking water network, much of which is expected to require replacement within the next 30 years. As Council manages this aging network it also needs to ensure that bursts and leakages are being proactively managed and responded to.

The other key area of focus in the coming years is security of supply and new funding being proposed is aimed at increasing water storage in the city to increase our resilience and meet demand from population growth.

Central Government's three waters reform programme will impact how water services are managed in the future. Wellington City Council is an active participant in those reforms and will be engaging with the public on decisions on reform in the coming year.

Activities in this group

2.3.1 Water network

2.3.2 Water collection and treatment

Rationale

This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital

- *To increase security of potable and stored water.* A reliable, resilient, and adequate supply of clean and safe water is critical for the health, wellbeing and prosperity of all residents.

Services we provide

- Ensuring high-quality water is available at all times for drinking and other household and business uses and for firefighting purposes
- Maintaining 65 reservoirs, 34 pumping stations, 156,000 fixtures, including hydrants and 1200 kilometres of pipes across the city
- Monitoring drinking water quality to ensure it complies with New Zealand Standards
- Encouraging efficient, responsible use of water by providing information to residents and businesses, and through restrictions on sprinklers and garden hoses (as required)
- Investing in key areas to support growth of the city and enhance resilience

Key projects/programmes

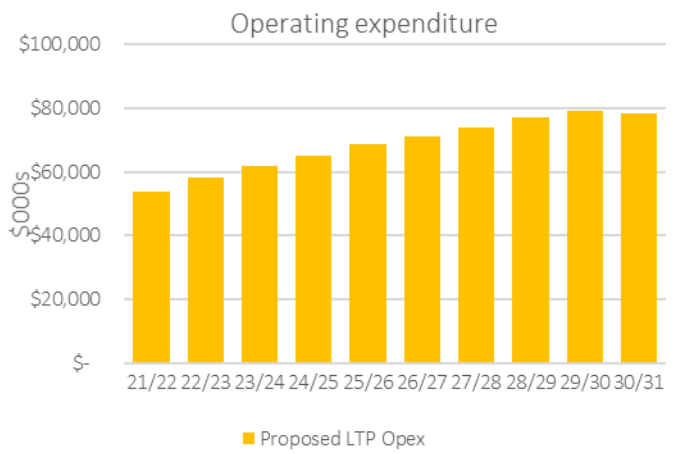
- An increase in maintenance services, including the identification and repair of leaks
- A critical asset inspection programme. Where these inspections identify issues, the relevant assets will be prioritised for early renewal from August 2021.
- $38m to complete the investment in Omāroro reservoir to accommodate growth and increase resilience in Central Wellington and $8m for various other resilience enhancements to existing reservoirs and the network
- Replacement of the Highland Park reservoir
- $3.5m over 10 years for growth planning (across all three waters) and some targeted upgrades in identified growth areas (including central Wellington).
- $5m over 10 years improving network management through pressure management and network-level meters.

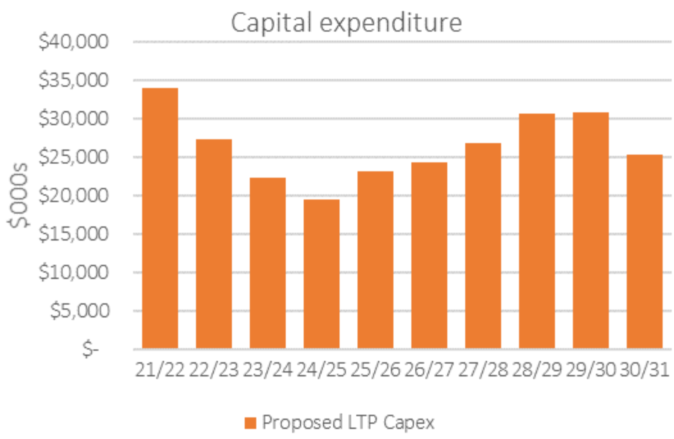
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
2.3 Water	Our population is growing and demand on water is increasing. We do not anticipate any significant negative effects associated with the provision of these services.	Investment during the 10 years of this plan will provide an additional water storage asset serving central Welllington and the CBD. An increased investment in network leakage and repair will have some impact on overall demand.

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
Clean and safe		
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria and Part 5 protozoal compliance criteria)	Part 4 compliant; Part 5 compliant	Both compliant
Meeting customer expectations		

Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections*	<20/1000	<20/1000
Continuity of water supply and resolution of faults		
Water supply interruptions (measured as customer hours)	Baseline	Monitor trend
Median response time for attendance for urgent call outs* (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	≤60 min	≤60 min
Median response time for resolution for urgent call outs* (b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	4 hours	4 hours
Median response time for attendance for non-urgent call outs* (c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	36 hours	36 hours
Median response time for resolution for non-urgent call outs* (d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	5 days	5 days
Efficiency and sustainability		
The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this). Calculated as a regional mean value	<17%	<17%
Average drinking water consumption resident/day* The average consumption of drinking water per day per resident within the territorial authority district	365ltr	365ltr
*denotes mandatory measures		

2.4 Waipara | Wastewater

The wastewater network, which carries about 30 million cubic metres of wastewater a year, protects human health and the environment by removing wastewater from homes and businesses and treating it to make it safe for disposal. The cleaned and treated wastewater is discharged into the ocean and the biosolids removed in the treatment process are currently disposed of in the Southern Landfill.

Our key aims are health, safety and sustainability – wastewater should be disposed of in ways that protect public health and don't compromise ecosystems. Many parts of Wellington's wastewater network are aging and in poor condition and suspectable to failures, blockages and overflows. A key focus needs to be on improving the network to minimise failures as new and tighter discharge requirements will be set regionally within the 10-year period of this Plan. Significant additional investment is expected to be required for these limits to be achieved. The city's anticipated population growth will also put pressure on this infrastructure.

Central Government's three waters reform programme will impact how wastewater services are managed in the future. Wellington City Council is an active participant in those reforms and will be engaging with the public on decisions on reform in the coming year.

Activities in this group

2.4.1 Sewage collection and disposal

2.4.2 Sewage treatment

Rationale

This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital

- *For public and environmental health.* The wastewater network is crucial to our city's health. By providing safe and sanitary removal of wastewater and ensuring that the waste is disposed of in ways that minimise harm on the environment and protect public and environmental health.

Services we provide

- Collecting, treating and disposing of wastewater in ways that protect our waterways from harmful effects
- Monitoring and maintaining 1000 kilometres of pipes, 64 pump stations and three treatment plants

Key projects/programmes

- Increase in the City's wastewater renewal programme, including $40m to replace ageing wastewater pipes and to construct new infrastructure in and around the CBD. This is mostly focused around the pipes that run along Taranaki, Wakefield, Victoria and Dixon Streets, and Kent Terrace, and includes a new pump station in Taranaki Street and new pipes to provide better redundancy in the case of a pipeline failure.
- A critical asset inspection programme. Where these inspections identify issues, the relevant assets will be prioritised for early renewal from August 2021
- $3.5m over 10 years for growth planning (across all three waters) and some targeted upgrades in identified growth areas (central Wellington, Te Aro and Stebbings Valley)
- The establishment of additional crews to detect faults in the public wastewater network.

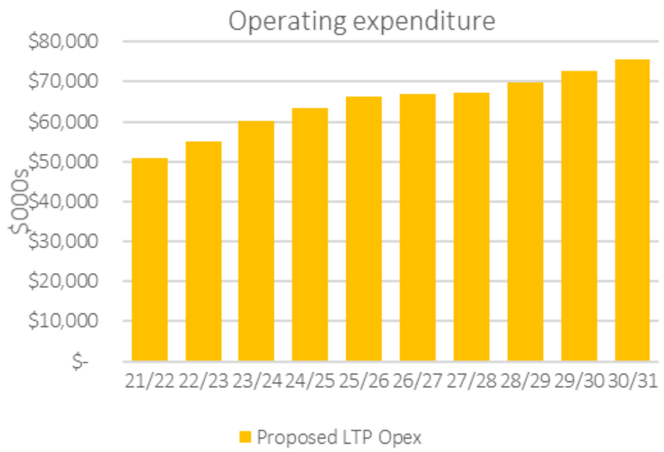
Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
2.4 Wastewater	There is the risk of overflows into waterways during high rainfall events and from infrastructure failures.	The wastewater network is designed to minimise the impact of these overflows. The service is subject to resource consent

	conditions and is monitored. This LTP includes budget for a significant uplift in wastewater infrastructure renewals.

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Compliance and sustainability		
Dry weather wastewater overflows, expressed per 1000 connections* The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.	0	0
Compliance with the resource consents for discharge from the sewerage system, measured by the number of: a) abatement notices, b) infringement notices, c) enforcement orders and d) convictions received by the territorial authority in relation to those resource consents*	Nil	Nil

Meeting customer expectations		
The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system*	<30/1000	<30/1000
Continuity of service and resolution of faults		
Median response time for wastewater overflows* (attendance time) Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site	≤1 hour	≤1 hour
Median response time for wastewater overflows* (resolution time) (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤6 hours	≤6 hours
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	≤0.8	≤0.8
*denotes mandatory measures		

2.5 Waiāwhā | Stormwater

Each year, Wellington's stormwater network carries around 80 million cubic metres of run-off through gutters and drains to the harbour, coastal waters and city streams. The drainage network, managed for the Council by Wellington Water, helps protect the city and personal property from flooding as well as protecting public health from the potentially adverse effects of stormwater run-off.

Contaminants that are hazardous to the ecosystems in our streams, harbour and coastal waters can enter the stormwater system from our streets, homes and businesses. We generally do not currently treat stormwater run-off but we do monitor stormwater discharge at more than 80 sites to ensure it meets the required standards. These standards are expected to become tighter within the 10-year period of this Plan as national legislation is applied across the region. These new, higher standards are expected to require the city to invest further in stormwater treatment infrastructure. A key focus needs to be on water quality including minimising contamination from the wastewater network.

As part of development planning and major renewal and upgrade work in the city, we also encourage and will adopt as a Council the implementation of water sensitive urban design solutions to minimise the impact of stormwater runoff and to improve the amenity of the city.

Central Government's three waters reform programme will impact how stormwater services are managed in the future. Wellington City Council is an active participant in those reforms and will be engaging with the public on decisions on reform in the coming year.

Activities in this group	Rationale
2.5.1 Stormwater management	*This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital* • *To protect people, property and the environment from flooding and storm runoff.* A safe and reliable stormwater network prevents avoidable disruptions to community living and minimises the risk of injury, property damage and environmental damage.

Services we provide

- Managing stormwater flows, while minimising the risk of flooding and the impact of run-off on the environment
- Monitoring and maintaining the stormwater network, which includes 670 kilometres of pipes, one pump station and 870 culverts that allow stormwater to flow under roads and other infrastructure
- Monitoring stormwater outfalls to ensure that any threats to public health and the environment are minimised

Key projects/programmes

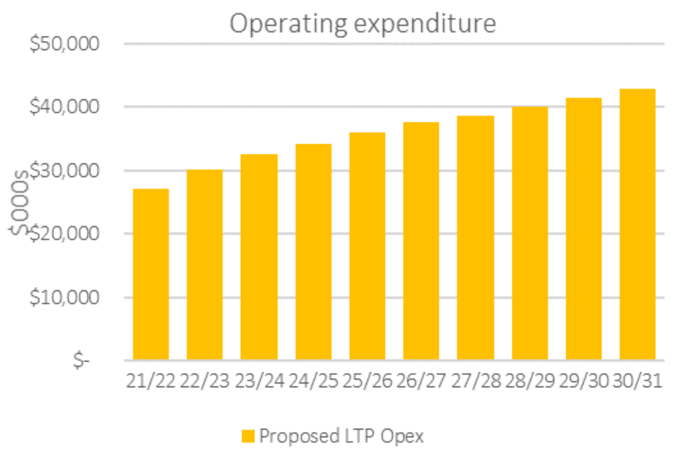
- Increase in the City's pipe renewal programme, with a particular focus on the CBD, including Hunter St and Jervois Quay.
- $3.5m over 10 years for growth planning (across all three waters) and some targeted upgrades in identified growth areas (including central Wellington)
- Improvements in stormwater quality may result from wastewater network improvements planned for Te Aro, Stebbings Valley, and Karori.
- A critical asset inspection programme. Where these inspections identify issues the relevant assets will be prioritised for early renewal from August 2021
- $18m over 10 years for upgrades to reduce flooding risks in Tawa.
- Making investment in green infrastructure business as usual with mātauranga Māori guiding delivery where it is practicable in relation to the impacts of stormwater.

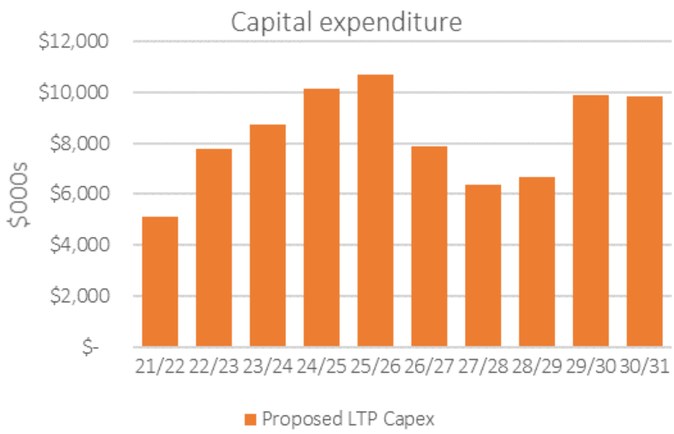
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
2.5 Stormwater	The network can carry containments, such as oil from roads or run-off from developments, into waterways.	The principal objective of the stormwater network has historically been to minimise the impact of flooding. It has not been designed to provide treatment. We want to reduce the contaminants that make it into waterways. We educate residents to change behaviours, such as pouring paint down drains, and will be adopting regulatory and non-regulatory measures to increase the uptake of water sensitive design in new developments. The investment in stormwater network renewals is increasing, with a focus on critical assets and the CBD area.

Operating and capital budgets





What you can expect of us – performance measures

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Performance measure	Previous target (2020/21)	Target 2021-31
Continuity of service and resolution of faults		
Number of flooding events*	Baseline	2
Number of habitable floors per 1000 connected homes per flooding event* For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) * The regional consistency for habitable floors affected in a flooding event is 10 per event, however as the DIA measure is per 1000 properties connected, we have calculated this based on connections in 20/21.	Baseline	0.13
Median response time to attend a flooding event* The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	≤60 minutes	≤60 minutes
Compliance with the resource consents for discharge from the stormwater system, measured by the number of: a) abatement notices, b) infringement notices, c) enforcement orders and d) convictions*	Nil	Nil
Days (%) during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use	90%	90%
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%
Meeting customer expectations		
Number of complaints about stormwater system performance per 1000 connections* The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	<20/1000	<20/1000
Residents (%) satisfied with the stormwater system	75%	75%

2.6 Ngā painga kukume Papa Atawha | Conservation attractions

The Wellington Zoo Trust and Zealandia (Karori Sanctuary Trust) are both CCOs and are part-funded by the Council.

These attractions tell a story of our past and of our special wildlife. They attract visitors to our city and inform and educate about conservation and biodiversity.

Activities in this group

2.6.1 Conservation visitor attractions

Rationale

This activity grouping primarily contributes to the community outcome: A sustainable, climate friendly eco capital

- *For conservation and biodiversity.* These attractions inform and educate Wellingtonians and visitors about conservation and biodiversity.
- *To attract visitors.* These facilities aim to attract tourists to the city, contributing to the local economy.
- *To protect flora and fauna.* We strive to protect native and exotic flora and fauna, protecting our natural environment.

Services we provide

- Investment that supports the Wellington Zoo in their efforts to attract visitors and to inform and educate on the importance of conservation and biodiversity
- Investment that supports Zealandia to attract visitors and protect flora and fauna for the benefit of our natural environment

Key projects/programmes

- Zealandia – Construction of Tanglewood House in year 1 following Council contribution of $1.1m in 2020/21
- Zoo upgrades – $1.7m to support addition of Snow leopards in year 1 of this LTP.

Key challenges and negative effects

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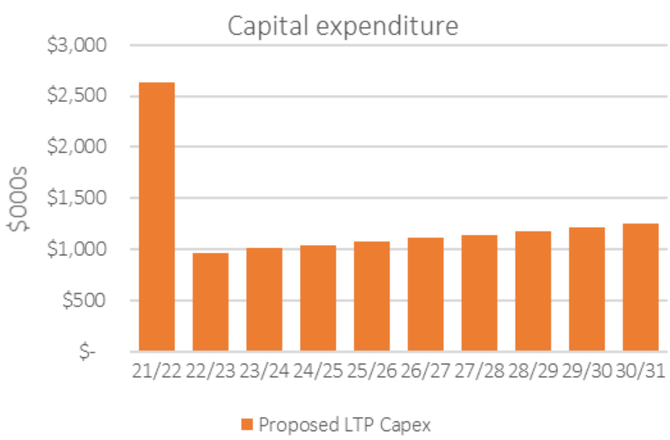
Activity	Key challenges and/or negative effects	Mitigation
2.6 Conservation attractions	We do not anticipate any significant negative effects associated with the provision of these services.	

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Wellington Zoo and Zealandia		
Achievement of measures within Wellington Zoo's Statement of Intent	Refer SOI	Achieved
Achievement of measures within Karori Sanctuary Trust (Zealandia) Statement of Intent.	Refer SOI	Achieved

Whanaketanga ōhanga | Economic development

We aim to support economic growth to enhance quality of life.

There is one activity grouping under this strategic area, it is:

3.1 City promotions and business support

3.1 Whakatairanga Tāone / Tautoko ā Pākihi | City promotions and business support

To maintain a city that is prosperous and facilitates a high quality of life for its residents, we need to stimulate and maintain a dynamic and growing economy.

To do this we fund tourism promotions and visitor attractions, support WellingtonNZ and maintain relationships with other agencies to foster economic growth.

Activities in this group

3.1.1 WREDA and venues
3.1.2 Wellington Convention Centre
3.1.3 Retail support
3.1.4 City Growth Fund
3.1.5 Major economic projects
3.1.6 International relations
3.1.7 Business Improvement Districts (BIDs)

Rationale

This activity grouping primarily contributes to the community outcome: A dynamic and sustainable economy

- *To attract and retain talented residents.* Attracting talent, visitors and jobs is critical to growing the city's economy and ensuring Wellington remains vibrant and retains its competitive advantage.
- *To grow tourism spend and economic returns from events.* We aim to attract and support major events that bring visitors and extra spending to the city.
- *To grow inward investment and exports.* Ensuring that the city has a presence internationally will be vital to attracting investment, talent, visitors and jobs.
- *To sustain city vibrancy.* City promotion and events build and retain city vibrancy. It is critical that Wellington remains vibrant and internationally relevant, and that people coming here have the best possible experience.
- *To support businesses wanting to take climate action.* Wellington has a reputation as a climate leader with a strong community of innovative sustainable businesses.

Services we provide

- Promoting Wellington to visitors
- Supporting high-quality events, such as World of Wearable Art
- Promoting Wellington to the world to encourage tourism
- Offering convention and concert venues
- Improving the city's national and international connections
- Attracting and supporting business activity
- Providing venues for entertainment, performances and business events
- Exploring major economic development initiatives
- Programmes that support existing businesses to reduce their carbon emissions, and innovators to develop new climate reduction business opportunities

Key projects/programmes

- Completion and operation of Tākina- Wellington Convention Centre. $82m for years 1-2.
    - Economic strategy – delivery of the Economic Strategy. The strategy is currently being refreshed but it is not anticipated that a change in total current funding will be required but may be allocated differently. The strategy being formulated will provide for key focus areas of the Council's economic activities, including but not limited to the Regional Economic Development Strategy, Maori Economic Development plan, Night-time economy plan, circular economy and identifying the city's competitive economic advantage areas.
- Agreement to underwriting World of Wearable Arts for 2021/22
- Ongoing support for COVID-19 recovery- including via WellingtonNZ's support for business
- Removal of funding support for Wellington International airport extension
- Venues upgrades. Re-prioritisation of $45m of Indoor Arena funding to venues upgrades.
- Te Atakura – business focused seed funding programmes including the Climate Lab, Business Energy Saver and workplace travel planning support

Key challenges and negative effects

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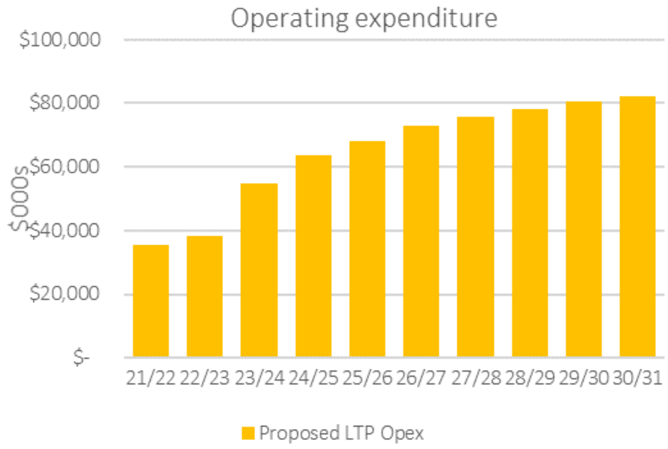
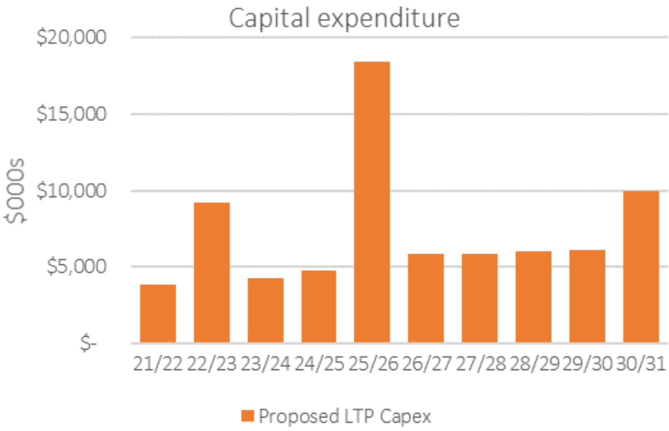
Activity	Key challenges and/or negative effects	Mitigation
3.1 City promotions and business support	The activities in this area facilitate and encourage growth in tourism and business, both of which result in more people in our city. Tourism, and the influx of additional people into the city, can bring many economic and social benefits. However, these are also associated with negative effects. More people in the city places additional pressure on our infrastructure networks (water and wastewater, for example) and more people travelling into and out of our city results in increased carbon emissions.	We are building on our skilled knowledge base, creative industries and services sector to capitalise on a economy that is becoming increasingly 'weightless' – with a focus on generating high-value, low-carbon products and services. Our focus in these industries mitigates some of the negative effects associated with a growing economy. We support a range of initiatives to reduce the emission profile of the city and are working with partners on making the transport system more sustainable. We also dispose of waste in sustainable ways; we capture gas at the landfill and are working to reduce sewage sludge.

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
WREDA -WellingtonNZ		
WellingtonNZ is delivering direct value/ROI on our shareholders investment -Direct Economic Impact of WellingtonNZ's activities and interventions	$86m	Refer new SOI
WellingtonNZ is shaping and amplifying the regional destination/brand story		
Equivalent Advertising Value (EAV) from media activity	$10m	Refer new SOI
Value of expenditure generated from events (including business, performance and major events)	$40m	Refer new SOI
The number of Wellington Region residents that attend events	475,000	Refer new SOI
WellingtonNZ is supporting businesses to upskill and grow -Number of different business engagements in WellingtonNZ programmes	3,789	Refer new SOI
Financial health -% of Revenue from commercial/non council funding and commercial activity (combined WellingtonNZ and CHQ)	30%	Refer new SOI
Achievement of measures within Wellington Regional Stadium Trust (Sky Stadium) Statement of Intent.	Refer SOI	Achieved

Oranga ahurea | Cultural wellbeing

We aim to strengthen and promote Wellington's unique cultural identity.

There is one activity grouping under this strategic area, it is:

4.1 Arts and cultural activities

4.1 Ngohe Toi, Ahurea Hoki | Arts and cultural activities

Our city has traditionally been recognised as the cultural capital of New Zealand. This reflects a mix of factors, including the presence of national arts organisations in the city, funding support from the Council, the sense of a supportive citizenry, and a reputation for edgy and interesting arts in the city.

Activities in this group

4.1.1 City galleries and museums (Wellington Museums Trust)
4.1.2 Visitor attractions (Te Papa / Carter Observatory)
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

Rationale

This activity grouping primarily contributes to the community outcome: An innovative, inclusive and creative city

- *For city vibrancy and cultural expression.* The arts contribute to a vibrant city and provide opportunities for cultural expression, enhancing Wellington's vibrancy as a diverse, active and eventful place attractive to visitors.
- *To build and maintain a sense of place and identity.* Our museums, visitor attractions and events shape Wellington's sense of place and identity. They celebrate creativity and ideas and increase our understanding of culture, our shared history, science, ourselves and each other.
- *To grow visitation and exposure to creativity and innovation.* We aim to grow the numbers of visitors to our attractions, providing ideas and places where people can connect, share what is common and explore what is different and new.

Services we provide

- Delivering a wide variety of free public events, such as Gardens Magic, Te Rā o Waitangi, Pasifika Festival, Matariki, Diwali and more throughout the calendar year
- Advising on and supporting a range of community events, including the Newtown Festival and Chinese New Year
- Supporting and delivering a range of public art
- Running Toi Pōneke Arts Centre, which houses a community of practitioners, arts organisations and creative businesses
- Giving arts advice and support, maintaining an art collection of more than 500 artworks
- Funding the Wellington Museums Trust, which operates:
    -
    - Wellington Museum
    - City Gallery Wellington
    - Wellington Cable Car Museum
    - Nairn Street Cottage
    - Space Place at Carter Observatory
    - Capital E

- Hannah Playhouse

Key projects/programmes

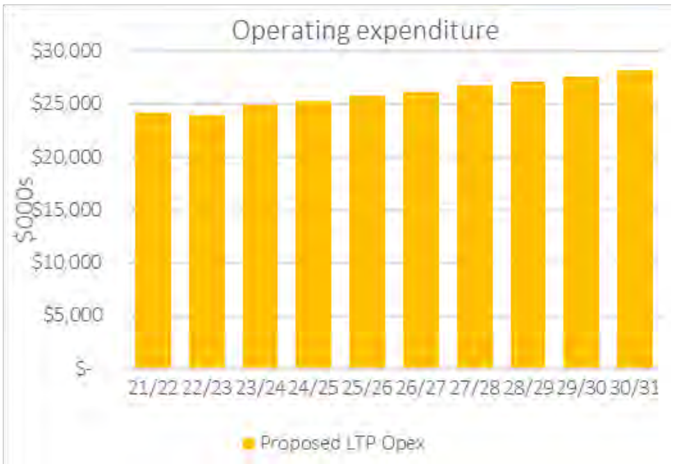
- Arts and Culture strategy – delivery of the Arts and Culture Strategy, to be confirmed through concurrent engagement with LTP consultation.
- Bond Store (Wellington Museum) building strengthening work ($16m)

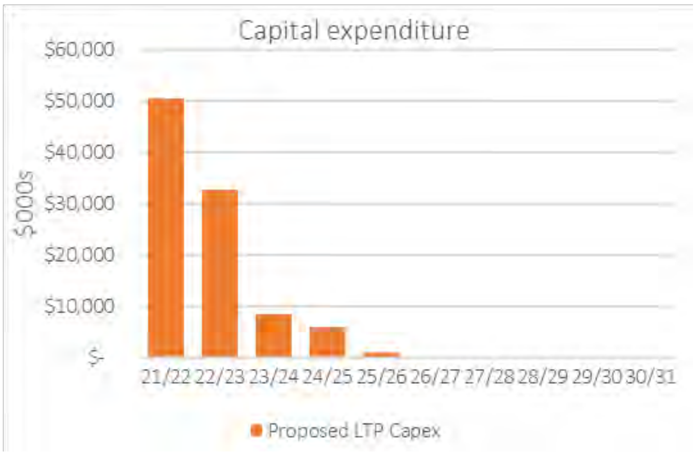
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
4.1	We do not anticipate any significant negative effects associated with the provision of these services.	

Operating and capital budgets





Wellington Convention Centre is included within the capital budget for 4.1 but commentary is withing Economic Development

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Performance measure	Previous target	Target 2021-31

	(2020/21)	
High quality experience		
Attendees (%) satisfied with Council-delivered arts and cultural festivals	90%	90%
Achievement of measures within Wellington Museums Trust (Experience Wellington) Statement of Intent.	Refer SOI	Achieved
Experience Wellington - Percentage of visitors who rate the quality of their experience (good or very good)	90%	90%

Pāpori me te hākinakina | Social and recreation

We aim for strong, healthy communities.

The key groups of activities under this strategic area are:

5.1 Recreation promotion and support

5.2 Community support

5.3 Public health and safety

5.1 Whakatairanga Mahi ā Rēhia | Recreation promotion and support

Wellington City Council provides a range of recreation and leisure facilities to encourage active and healthy lifestyles and enable participation in sporting and other group activities. Through the promotion and support of recreation opportunities we contribute to the development of strong, healthy communities and a high quality of life for Wellingtonians.

Activities in this group

5.1.1 Swimming pools
5.1.2 Sportsfields
5.1.3 Recreation programmes
5.1.4 Recreation centres
5.1.5 Recreation partnerships
5.1.6 Playgrounds
5.1.7 Marinas
5.1.8 Golf course

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To encourage active and healthy lifestyles.* Our swimming pools, sportsfields and other recreation centres provide access to sport and recreation opportunities, which are important for people's health and wellbeing.
- *To enable participation in sporting and other group activities.* Our recreation facilities give sporting and recreation groups a space to organise sport and recreation programmes.
- *For social cohesion and connectedness.* Our recreation facilities provide important community focal points and recreation opportunities that bring people together.

Services we provide

- Managing, maintaining and servicing seven swimming pools, four multi-purpose recreation centres and the ASB Sports Centre – these facilities provide places for people to learn and participate in sports (including swimming), exercise and have fun
- Managing and maintaining outdoor sports facilities in the city, including 44 natural and 11 artificial sports turfs (two in partnership with schools), which provide year-round venues for recreation and competitive sport for people of all ages
- Managing and maintaining more than 100 neighbourhood playgrounds, which give families a safe place to play near home
- Maintaining other Council-owned recreational facilities, including two marinas, the Berhampore golf course, two croquet facilities, and tennis and netball courts
- Supporting the Basin Reserve Trust, a CCO that manages and operates the Basin Reserve to continue to attract national and international events to Wellington

Key projects/programmes

- Pools earthquake strengthening work - Freyberg Pool $3.3m Year 2
- Community asset renewals – ongoing renewals of our community facilities across the city, this includes, synthetic turf renewals and Hataitai netball courts resurfacing - $10.9m over 10 years.
- Provisioning $12m for future growth investment in Recreation and Sport facilities in Northern suburbs

- Grenada North community sports hub and turf. Years 3/6 $13.2m

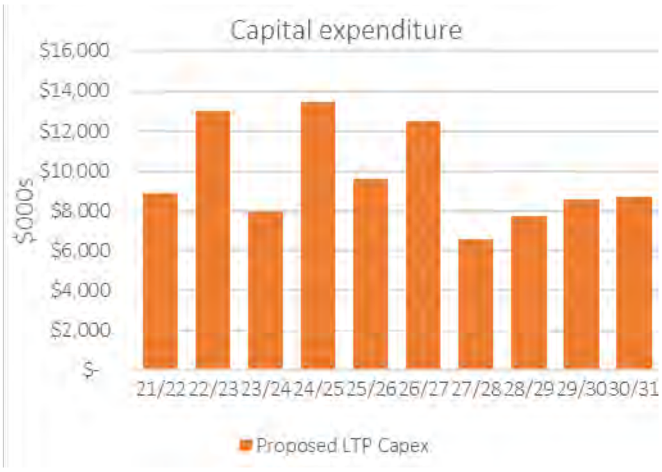
$1.2 million for the Khandallah Summer Pool in year 3 to enable improvements to resilience, operating equipment and facilities

Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
5.1 Recreation promotion and support	There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste, direct energy use to operate the buildings, indirect energy use, and emissions from people using private transport to access our facilities.	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 to places of recreation
	Our swimming pools pose the additional risks of drowning.	We manage this risk through a number of steps, most notably through the continuous presence of trained lifeguards. We also offer learn to swim programmes.

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
High quality experience		
User satisfaction (%) - pools	revised measure	Baseline
User satisfaction (%) - rec centres including ASB Sports Centre	revised measure	Baseline
User satisfaction (%) - sportsfields	85%	85%
Utilisation		
Utilisation of Leisure Card (increase in number of active users)	changed	Baseline
Affordability		
Ratepayer subsidy per swim	<$13.60	< $15.00
Achievement of measures within Basin Reserve Trust Statement of Intent.	Refer SOI	Achieved

5.2 Tautoko Hāpori | Community support

By providing libraries, community centres and social housing we foster diverse and inclusive communities and enable people to connect with information and each other.

We provide a wide range of facilities forming part of the city's 'hard' social infrastructure that support community wellbeing. These include libraries, community spaces and social housing.

Activities in this group

5.2.1 Libraries
5.2.2 Access support (Leisure Card)
5.2.3 Community advocacy
5.2.4 Grants (social and recreation)
5.2.5 Social housing
5.2.6 Community centres and halls

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To foster diverse and inclusive communities.* Our community facilities are places for groups to come together – strengthening social cohesion, celebrating diversity and making the city a more appealing and welcoming place to live.
- *To enable people to connect with information and with each other.* Our community facilities are places of discovery and learning that allow people to connect with others and exchange knowledge through events and other activities.
- *To support warmer, drier, healthier homes.* The quality of Wellington homes is improved.

Services we provide

- Access for all Wellingtonians to a wide array of books, magazines, DVD, e-books, e-audio, online journals and e-music tracks through libraries around Wellington
- Access to community spaces, including a citywide network of 25 community centres
- Ensuring residents can participate in communities of choice, accessing support through a variety of mechanisms, including community grants
- Work with external agencies and support outreach programmes to end street homelessness
- Support for community groups, ensuring Wellington's diverse population is supported and embraced by an inclusive, caring and welcoming community
- Subsidised rental for low-income Wellingtonians whose housing is not met by the private sector – we currently own over 1,900 units
- Facilitation of affordable rental housing in the city through the Te Kainga programme of CBD apartment conversions
- Subsidised Home Energy Saver assessments for Wellington home owners
- Climate and Sustainability Fund to support community groups wanting to take climate action locally

Key projects/programmes

- Completion of high-level remediation of the Central Library building (Y1-4 $188m)
- Phase 2 of City Housing upgrade programme $305m (Years 2-10 costs of the programme are excluded from the budget with the need to explore alternative funding options)
- Healthy Housing investment to bring all Council social housing stock up to the requirements of the Healthy Homes Standards (Y1-3 $16.6m) (Year 2 and 3 costs of the programme are excluded from the budget with the need to explore alternative funding options- should funding not be identified Healthy Housing Investment will be delivered through City Housing reserve funds)
- Home Energy Saver assessments of an additional 25% of Wellington homes over 10yrs ($4.4m)
- Climate and Sustainability Fund and Future Living Skills programme (new, $1.7m over 10 years)
- Completing existing community facility upgrades (Strathmore, Newtown, Aro Valley and Karori) and additional $1.7m for pursuing upgrade of Tawa/Linden community facilities in Year 1.
- Provisioning $16.4m for future growth investment in Community facilities in Northern suburbs

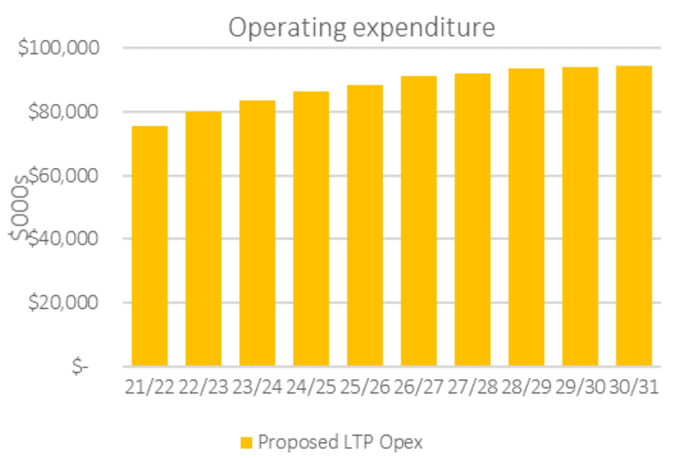
- Funding for community facility upgrades provision in outyears of the plan ($28m Years 11-13 and $15.6m Years 11-12)
- Housing Action Plan- continue to deliver on the actions on our action plan including, a focus on the Housing First pilot, proactive development through the SHIP and Te Kainga housing, and investigating further means to increase Council ability to provide more affordable housing outcomes for the city.
- Implement programmes from the Sustainable Food Network Action Plan including new approaches to household composting and enhancing food security ($500k Years 1-3)
- Wadestown Community Centre divestment with the proceeds from divestment reinvested into the local community. Proposed in budget for divestment in first years of LTP.
- Working with communities of interest to facilitate the use of road reserve and open space land for the activities of composting and community gardening as governed by relevant policy and plans

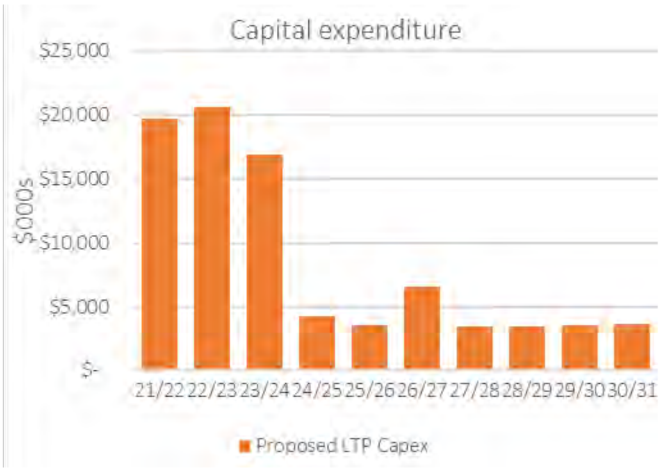
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
5.2 Community support	There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste and direct water and energy use to operate buildings.	We seek to minimise these negative effects by ensuring our operations are managed effectively, waste is minimised or recycled, and water and energy are conserved.

Operating and capital budgets





The peak in year 1-3 in capital expenditure reflects only the first years of City Housing upgrades and renewals being included in the capital budget
The Central Library budget is held at the organisational level rather than in this activity area and that is why it is not shown in this chart.

What you can expect of us – performance measures

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Performance measure	Previous target (2020/21)	Target 2021-31
Affordability		
Cost to the ratepayer per library transaction	Baseline	Baseline
Customer focus		
User satisfaction (%) with community centres and halls	new	Baseline
User satisfaction (%) with library services	90%	90%
Occupancy rate of available housing facilities	90%	95%
Tenant satisfaction (%) with services and facilities (includes neutral)	90%	90%

5.3 Hauora/Haumaru Tūmatanui | Public health and safety

The health and safety of our city are crucial to enabling our city and our people to thrive.

We deliver services that support the health and safety of the city's communities, and also provide for dignified bereavement and resting places.

We plan for and deliver a citywide welfare response for people during a civil defence emergency.

Activities in this group

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 Wellington Regional Emergency Management Office (WREMO)

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To maintain health standards.* We promote and maintain health standards through public health regulations and maintenance of our own facilities, such as public toilets.
- *To help people feel safe.* We engage in activities that promote individual wellbeing, safe neighbourhoods and a safe inner city. We engage with communities to ensure the city is well prepared for earthquakes and other natural disasters.

Services we provide

- Ensuring everyone has access to clean and safe public toilets and changing rooms/pavilions
- Ensuring through Council regulations that Wellington's thriving food and alcohol scene contributes to the health and safety of our people
- Ensuring Wellington is a safe and inclusive city where people know their neighbours and are safe
- Ensuring Wellington is a safe and inclusive city
- City leadership in city safety programmes that link interagency programmes, such as alcohol harm reduction, management of graffiti, support for the city's youth, and programmes that eliminate sexual violence
- A coordinated and planned approach to local welfare arrangements for both people and animals in the city following an emergency event
- Work in partnership with agencies to deliver programmes that reduce harm including CCTV, Graffiti management and initiatives that prevent sexual and domestic violence.
- Managing and maintaining two cemeteries, including providing cremation services

Key new projects/programmes

- Makara Cemetery expansion $7m Years 3-5
- Provision for new public toilets in northern suburbs as a result of growth including in Linden- $1.3m Years 4-7
- Improve safety in the central city through an upgrade of the Te Aro Park investment $3.6m Years 1-3

Key challenges and negative effects

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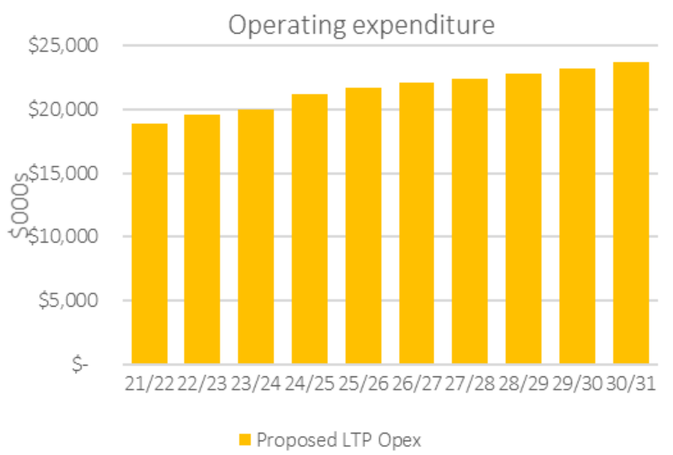
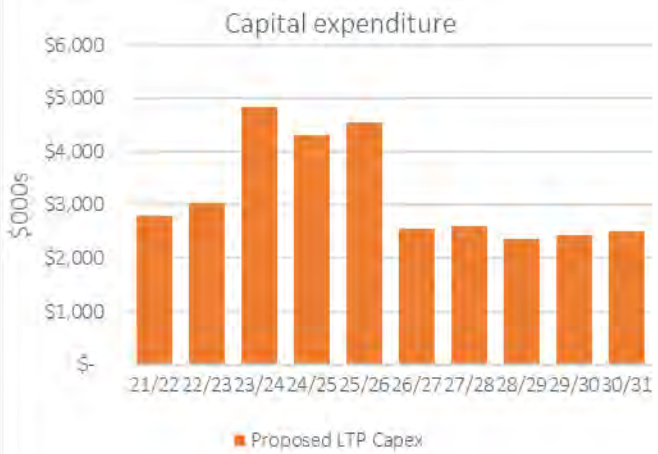
Activity	Key challenges and/or negative effects	Mitigation
5.3 Public health and safety	We do not anticipate any significant negative effects associated with the provision of these services.	

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
Compliance		
User satisfaction regarding compliance activities	new	Baseline
Timeliness		
Licences –premises inspected within target timeframes (%)	new	100%
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	100%	100%
Graffiti removal – response time frames (%) met	80%	80%

Dog control - response time frames (%) met	100%	100%
Public toilets – response time frames (%) met	100%	95%
Hygiene standard		
Toilets (%) that meet required cleanliness and maintenance performance standards	95%	95%

Tāone tupu ora | Urban development

We aim for a compact, resilient and attractive city.

The key groups of activities under this strategic area are:

6.1 Urban planning, heritage and public services development (including waterfront development)

6.2 Building and development control

6.1 Whakamahere Tāone / Whakawhanake Wāhi Tuku Iho Tūmatanui | Urban planning, heritage and public spaces development (including waterfront development)

4 Wellington with its combination of compact urban form, heritage buildings, public art, capital city status and other features give the city a unique look and feel. With a growing population there are demands placed on our urban planning, heritage and public spaces development. Our work aims to ensure this growth happens in ways that make efficient use of land and transport and doesn't compromise the qualities that make Wellington special.

Activities in this group

6.1.1 Urban planning and policy development
6.1.2 Waterfront development
6.1.3 Public spaces and centres development
6.1.4 Built heritage development
6.1.5 Housing development

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To enable smart growth/urban containment.* Through these activities we ensure that the city grows in a controlled way that is environmentally sustainable, enhances community cohesion and encourages high-quality developments and reduces the city's carbon footprint through reducing the need to travel long distances.
- *For open public spaces.* We provide spaces where people can come together, relax and enjoy the natural environment of our city.
- *For character protection.* We work to help protect, restore and develop the city's heritage and character assets – including buildings, trees, monuments, and sites of significance to tangata whenua. Heritage is important in telling the shared history of the city and adds to its 'sense of place'.

Services we provide

- Carrying out urban planning work to guide how the city will grow over time
- Reviewing the District Plan to ensure the city grows in line with our agreed plans
- Ensuring infrastructure is in place to provide for current and future housing and business demand
- Maintaining Wellingtonians' sense of place and pride by embracing the city's character heritage and public spaces, including the waterfront
- Preserving the city's heritage for future generations by assisting building owners to strengthen at-risk buildings and including heritage and storytelling of Wellington's history in new developments.
- Ensuring residents can live, work and play without travelling long distances by car

Key projects/programmes

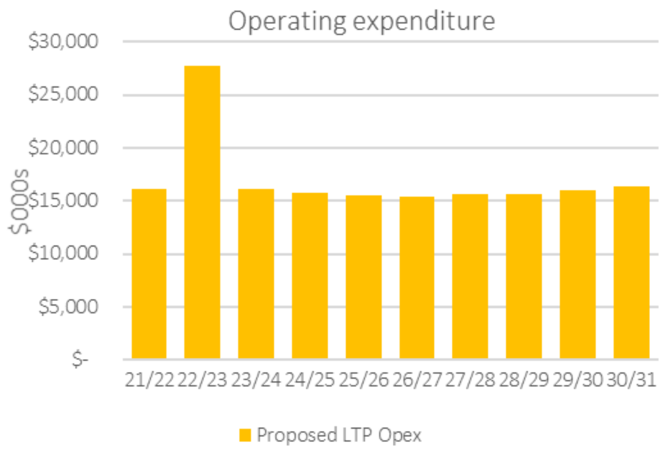
- Planning for growth – finalisation of the Spatial Plan and comprehensive District Plan review
- Waterfront development-
  - Frank Kitts Park playground $1.5m Year 1
  - Site 9 development $2.4m Year 1-2,
  - Shed 5 upgrade $5.5m Year 1-2,
  - Shed 1 upgrade $3.5m Year 1.
  - Removal of $6.5m previously provisioned for Frank Kitts Park garden development but continuing to work with the Chinese Garden Society on options for the Chinese Garden project
- LGWM (noted in 7.1 transport activity) will deliver a significant level of urban development in central city and along key routes.
- Scaled down programme of laneways investment in the central city ($1.8m over ten years).
- CBD greening/pocket park - $5.1 over ten years

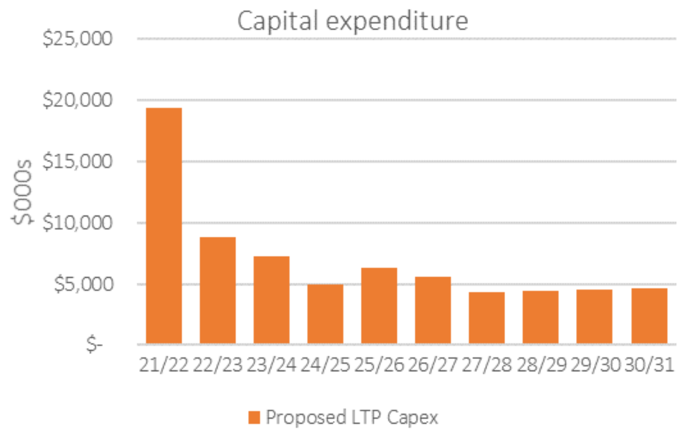
Key challenges and negative effects

Council activities are carried out in order to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
6.1 Urban planning, heritage and public spaces development (including waterfront development)	Up to 280,000 people are expected to call Wellington home by 2043. New housing development has been lagging behind population growth and demand in recent years, with an estimated shortfall of nearly 4000 houses over the last 10 years. House prices have also risen significantly in recent years. Population growth and urban development, if not well managed, can have negative effects on a city's environment and on social wellbeing. Left unchecked, growth can result in reduction of open and green spaces with consequences for recreational opportunities, amenity and even some ecosystems. Development in the wrong areas or the wrong types of development can place a strain on infrastructure and reduce people's ability to access to services and enjoy the opportunities the city offers. Poorly planned growth and poor development and construction of individual buildings can reduce the attractiveness and the 'sense of place' that people identify with and it can have a direct impact on people's safety.	Enabling more housing supply and business development through the District Plan review is important to accommodating our growing population, while also helping to improve housing affordability. 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. The tools we use include planning, working with landowners, direct investment in the development of green and open spaces and using our regulatory powers under legislation, such as the Building Act 2004 and Resource Management Act 1991.
6.1 Urban planning, heritage and public spaces development (including waterfront development)	*Heritage.* There are currently a number of heritage buildings in Wellington City, which require earthquake strengthening. Lack of progress by owners to strengthen their building 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. The main barrier to the strengthening process is cost. This is worsened by limited access to finance from both public and private sources.	We are aim to avoid the negative effects on heritage buildings by providing financial incentives for heritage building owners to undertake comprehensive earthquake strengthening.

Operating and capital budgets





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Performance measure	Previous target (2020/21)	Target 2021-31
Protecting heritage		
Number of heritage-listed buildings that are earthquake prone	-10% reduction in overall number of EQP heritage buildings	-10% reduction in overall number of EQP heritage buildings

Note that other measures of Urban planning, heritage and public spaces development are included within our community outcome measures. Results from these activities are long-term in nature and monitored as improving trends over time.

6.2 Whakahaere Hanga Whare | Building and development control

By regulating building and developments we ensure buildings are safe and do not threaten environmental quality or public health. We also ensure developments are safe, sustainable and meet public expectations.

Activities in this group

6.2.1 Building control and facilitation
6.2.2 Development control and facilitation
6.2.3 Earthquake risk mitigation – built environment
6.2.4 Regulatory – building control and facilitation (Weathertight homes)

Rationale

This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city

- *To protect public health and safety.* We carry out building and development control and facilitation activities to protect public and environmental health and safety and to protect future users of land and buildings.
- *For resilience.* Ensuring buildings and developments are built to withstand natural events is a critical element of our building and development control and facilitation activities. We engage in earthquake risk mitigation to protect public safety, as well as preserving the city's heritage and the economic investment made in buildings and infrastructure.

Services we provide

- Building consents – ensuring buildings are safe, in accordance with the Building Act 2004
- Resource consents – ensuring natural resources are used sustainably, in line with the Resource Management Act 1991
- Assessing earthquake-prone buildings and delivering on the resilience programme

Key projects/programmes

- Completion of Town Hall and St James strengthening
- Te Ngākau civic square investment – progressing with remediation/development of Civic Administration Building (CAB) and Municipal Office Building (MOB) and development of the MFC carpark (through use of partnerships and long-term ground leases)

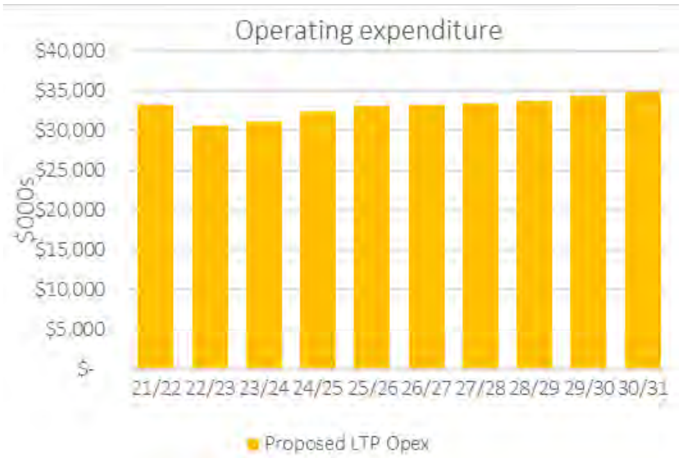
Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
6.2 Building and development control	Development and construction, if not well managed, can have negative effects on a city's environment and on social wellbeing, and on the safety of individuals. Development in the wrong areas or the wrong types of development can place a 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	The activities in this group exist to mitigate and manage risks from development, construction, weather-tight building problems and earthquakes. Our earthquake-prone building assessment programme is focused on ensuring these buildings are strengthened to the required standards.

	on people's safety.

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Timeliness		
Building consents (%) issued within 20 workings days	100%	100%
Code of compliance certificates (%) issued within 20 working days	100%	100%
Land Information Memorandums (LIMs) (%) issued within 10 working days	100%	100%
Resource consents (non-notified) (%) issued within statutory time frames	100%	100%
Resource consents (%) that are monitored within 3 months of project commencement	100%	100%

Subdivision certificates – Section 223 certificates (%) issued within statutory timeframes	100%	100%
Noise control (excessive noise) complaints (%) investigated within 1 hour	90%	90%
Customer focus		
Customers (%) who rate building control service as good or very good	70%	70%
Customers (%) who rate resource consent service as good or very good	90%	90%
Compliance		
Building Consent Authority (BCA) accreditation retention	Retain	Retain

Waka | Transport

Connecting people and places.

The key groups of activities under this strategic area are:

7.1 Transport

7.2 Parking

7.1 Waka | Transport

An efficient transport network that gives our people choices about how to get where they need to go is critical to the city's economy and quality of life.

Wellington City Council adopted the Stainable Transport Hierarchy together with Te Atakura, which places walking, cycling and public transport as the top of the transport hierarchy for the city. To implement this, the city's transport programmes and projects focus on enabling active and public transport solutions through investment in new infrastructure and our rolling maintenance and renewals programmes.

A priority for this plan will be implementing the preferred options from the LGWM programme, which is focused on the inner city – the Ngauranga-to-airport corridor. Together with our partners – Greater Wellington Regional Council (GWRC) and the NZ Transport Agency (NZTA) – we aim to create a transport system that:

- enhances the liveability of our central city
- provides more efficient and reliable access for people and goods
- reduces the reliance on private vehicle travel
- improves safety for everyone
- is adaptable to disruptions and future uncertainty.

Continuing our active transport programme and providing essential services will support the LGWM programme to achieve these objectives.

Activities in this group

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

Rationale

This activity grouping primarily contributes to the community outcome: A dynamic and sustainable economy

- *So our transport networks are reliable.* We aim to provide a transport network that provides people with accessible, safe and reliable transport choices.
- *To increase mode share and reduce emissions.* We strive to encourage and enable greater use of active modes and passenger transport – increasing the efficiency of the network and reducing the impact of emissions from the transport system.
- *For road safety.* Delivering a safe road network is a fundamental goal of our transport strategy. We provide and maintain safety assets as well as leading road education and promotion activities.

Services we provide

- Planning our future transport system, hand in hand with our urban development planning
- Managing and maintaining our existing transport network, which is made up of 970 kilometres of footpaths and access ways, 700 kilometres of roads, and 2 kilometres of bridges and tunnels, and which enables Wellingtonians, workers from the wider region and visitors to move around the city every day

- Supporting the city's public transport network by providing space for the network to run and encouraging people to use it
- Enhancing the attractiveness of walking or cycling around the city, through urban design, new infrastructure and promotion of active transport
- Ensuring our transport network is safe for all users by making ongoing improvements and educating and promoting safe behaviours
- Supporting Wellington Cable Car Limited – a CCO that owns, operates and maintains the Cable Car and associated track, plant, tunnels, bridges and buildings

Key projects/programmes

- Let's Get Wellington Moving - $270m covering Council's share of the cost of planned improvements on Thorndon Quay and Hutt Road, the Golden Mile as well as a range of pedestrian, cycling, public transport and amenity improvements across the city.
- Investment in cycleways, completing eastern connection, minor improvements and tactical urbanism projects to encourage mode-shift, as well as a prioritised set of key priority route connections not included in LGWM ($120m over ten years). Priority routes are to be determined but potentially could include:
    - northern corridor improvements between Tawa and Johnsonville and Ngaio and Kaiwharawhara;
    - connections into Brooklyn;
    - further work on The Parade in Island Bay (in addition to resealing and minor safety work planned for year 1).
- Transport network resilience – strengthening key emergency routes $21.8m over 10 years,
- Transport upgrade works- safer speeds, bus priority, footpaths, cycleways, accessibility investment $77m over ten years
    - $39.3m for Walking Improvements (including deferral of $7m from years 1-4 to years 4-8 for footpath upgrades)
    - $26.3m for Intersection improvements
    - $5.7m for School Safety and accessibility improvements
    - $12.3m for speed management upgrades
    - $5.9m for In-fill Streetlight and Accessway Lighting
- Planning for increasing use of chipseal over asphalt to manage growing renewal costs
- New streets and growth- provisioning of funding of $68.2m over ten years primarily for New Roads, Roading Capacity and Port and Ferry access

Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
7.1 Transport	With any transport network there are potential negative effects: - *Environmental effects*. These range from carbon emissions to air and noise pollution to surface water run-off from roads that may carry contaminants into the stormwater system. These impacts are directly linked to the number of vehicles on the road and to the availability of options others than using the private car, such as public transport, walking and cycling. - *Construction effects*. Individual projects, such as the construction of a new road, can affect public transport and general traffic flows, neighbouring	We mitigate the environmental effects of transport by ensuring walking, cycling and public transport are appropriately catered for so that our residents and visitors have choices other than the private car. We monitor the effects of stormwater run-off on aquatic environments. We communicate with businesses and affected communities to minimise disturbances due to roadworks. Through our land use planning, we make sure more people can live close to services and places of employment

properties (noise, dust) and nearby businesses (access to car parking and premises).

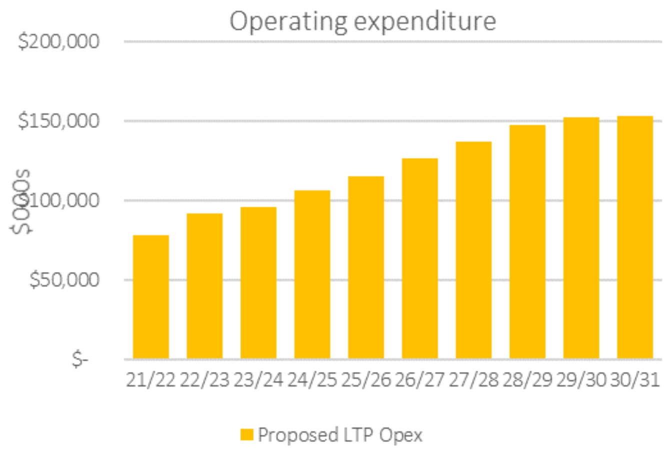
- *Development effects*. The timing of transport investment can affect growth opportunities, such as new residential development.

- *Safety*. The transport network brings pedestrians, cyclists and vehicles together, which presents hazards to users.

reducing their need to travel. We also work with developers to coordinate investment in streets with new residential and other developments, particularly in growth areas.

We have developed road safety programmes and design solutions to reduce the likelihood and severity of accidents.

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Network condition and maintenance		
Roads (%) that meet smooth roads standards*	70%	70%
Residents (%) satisfaction with the condition of local roads in their neighbourhood	75%	75%
Structures (%) in serviceable (average) condition or better	97%	97%

Customer service requests (%) relating to roads and footpaths that are responded to within timeframe (urgent within 2 hours and non-urgent within 15 days)	98%	98%
Footpaths (%) in average condition or better (measured against WCC condition standards*)	96%	96%
Residents (%) satisfied with street lighting	75%	75%
Sealed local road network (%) that is resurfaced*	target range 8.9–9.9%	target range 8.9–9.9%
Active modes promotion		
Kilometres of cycle paths and lanes in the city (increasing)	new	Baseline
Number of publicly accessible EV charge points on council owned land	new	Baseline
Residents (%) who are satisfied with the transport network - walking	75%	75%
Achievement of measures within Wellington Cable Car Limited Statement of Intent	Refer SOI	Achieved

7.2 Tūnga Waka | Parking

Council manages on-street parking and enforcement services across both the city and surrounding suburbs that allow people to have reasonable access to primarily on-street parking to shop, access businesses and access recreation activities in line with the objectives the 2020 Parking Policy.

Activities in this group

7.2.1 Parking

Rationale

This activity grouping primarily contributes to the community outcome: A dynamic and sustainable economy

- *To manage parking in line with the aims and objectives of the 2020 parking policy* that maximises the opportunity for people to access parking for the purpose for which it is being provided.
- *To support people to access the city using cars in a lower-carbon way.* Car sharing reduces the number of cars competing for parking in the city, and providing electric vehicle charging infrastructure ensures that car owners are supported to change to electric cars.

Services we provide

- Enforcement of metered public parking spaces in central Wellington and other forms of parking primarily located in the central city including Taxi Stands Loading Zones, mobility parking, bus stops and other designated parking areas.
- Monitor and enforce parking restrictions (including residents and coupon parking zones in the inner-city suburbs)
- Monitor and enforce parking restrictions in all suburbs and respond to parking related requests for service from the public
- Manage off-street parking where available
- Support events that take place across the city through the provision of dedicated parking enforcement.
- Access to Council owned land for the installation of electric vehicle chargers
- Dedicated car parking spots for car sharing services (currently Mevo and CityHop)

Key projects/programmes

- Investing in improved technology to improve enforcement consistency across the city and surrounding suburbs and supports the implementation of the 2020 Parking Policy and other road space usage initiatives
- Expand enforcement to selected Council facilities to ensure that parking is available to those using those facilities such as pools and parks and reserves
- Improve Parking enforcement outside of the city centre to better manage increasing demand for parking and to allow for timely responses to requests for service from the public
- Providing spaces for car sharing services ($250k over 5yrs)
- Installing 30 new EV fast charger locations ($2.3m over 10 years, offset by $1m in new revenue)

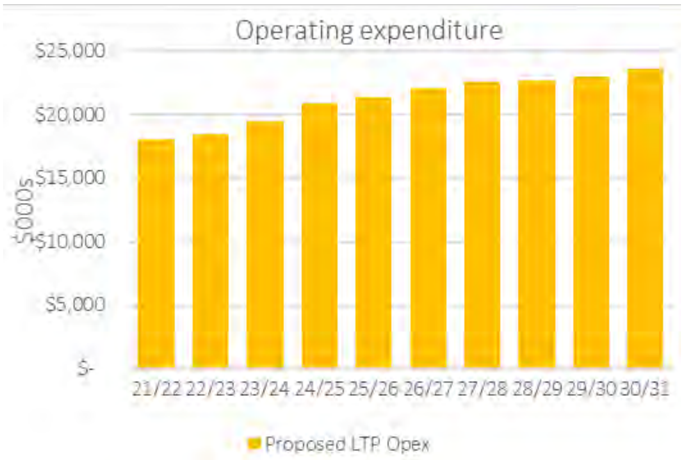
Key challenges and negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key challenges and/or negative effects	Mitigation
7.2 Parking	As transport mode shift is achieved (in support of the City's First to Zero goal) parking will be reduced to make way for active and public transport options, reducing revenue to Council. For example, providing spaces for car sharing vehicles is estimated to reduce parking revenue by $2.8m	Reductions in Council revenue through parking will need to be offset through cost savings or alternative revenue sources

over 10 years.

Operating and capital budgets



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Performance measure	Previous target (2020/21)	Target 2021-31
Availability		
City parking peak occupancy (utilisation)	50-70%	70-80%
Residents (%) satisfaction with the availability of on-street car parking	70%	70%
Residents (%) who perceive that parking enforcement is fair	>50%	>50%

Wellington City Council

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
1.1	2000	Committee & Council Proces	Democratic Services - Mayoral Vehicle / Committee Room Renew	0	135	0	0	153	0	0	0	0	0
	Total - 2000 Committee & Council Processes			*0*	*135*	*0*	*0*	*153*	*0*	*0*	*0*	*0*	*0*
Total - 1.1 Governance information and engagement				*0*	*135*	*0*	*0*	*153*	*0*	*0*	*0*	*0*	*0*
				0	*135*	*0*	*0*	*153*	*0*	*0*	*0*	*0*	*0*

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
2.1	2001	Property Purchases - Reserv	Bellmont Gully Lincolnshire Farms Reserve Property Purchase	0	0	0	4,411	0	0	0	0	0	0
			Cemetery Land	0	1,545	0	0	0	0	0	0	0	0
			Land Purchases	0	0	1,511	0	0	0	0	0	0	0
			Inner City Parks - Urban	0	0	0	3,246	0	0	0	0	0	0
	Total - 2001 Property Purchases - Reserves			*0*	*1,545*	*1,511*	*7,657*	*0*	*0*	*0*	*0*	*0*	*0*
2.1	2003	Parks Infrastructure	PSR Parks Infrastructure - Renewals (CX)	314	370	332	349	418	437	450	463	613	478
			Parks Infrastructure General Upgrades	60	62	64	65	67	68	70	72	74	76
			Dog Exercise Area Improvements	11	11	11	12	12	12	12	13	13	14
			Parks Infrastructure Renewals	214	221	227	232	235	240	269	259	266	272
			Hawkins Hill Right of Way – Road and Footpath Upgrade	270	128	0	174	0	0	0	603	200	0
	Total - 2003 Parks Infrastructure			*869*	*792*	*634*	*831*	*731*	*757*	*802*	*1,410*	*1,167*	*836*
2.1	2004	Parks Buildings	PSR Parks Buildings - FM Renewals	568	344	351	398	382	399	417	432	444	441
			Building Renewals Not FM	153	158	163	166	166	170	175	185	191	194
	Total - 2004 Parks Buildings			*722*	*502*	*514*	*564*	*548*	*568*	*592*	*617*	*635*	*636*
2.1	2005	Plimmer Bequest Project	PSR Plimmer Bequest Expenditure (CX)	0	0	805	400	411	0	0	0	0	2,584
	Total - 2005 Plimmer Bequest Project			*0*	*0*	*805*	*400*	*411*	*0*	*0*	*0*	*0*	*2,584*
2.1	2006	Botanic Garden	Botanic Garden Citycare renewals	447	458	478	461	458	491	488	493	434	558
			PSR Botanic Wayfinding Signs & Interpret	31	11	81	83	0	0	0	0	0	6
			PSR Bolton St Grave & Memorial Repairs	20	21	22	22	23	23	24	25	25	26
			Botanic Garden Asset Renewals	277	324	405	474	535	389	386	399	472	420
			PSR Allocation F&D	1	1	1	1	1	1	1	0	0	0
			PSR Allocation - Property (Architects)	51	54	55	57	60	62	65	0	0	0
			Otari Walkway upgrades	0	105	0	0	0	0	0	0	0	0
			Otari Landscape Devel Plan	0	0	0	0	111	711	732	754	778	0
			Begonia House and Café	0	144	668	2,976	4,712	0	0	0	0	0
	Total - 2006 Botanic Garden			*827*	*1,117*	*1,710*	*4,075*	*5,900*	*1,677*	*1,698*	*1,671*	*1,708*	*1,035*
2.1	2007	Coastal - upgrades	Coastal Beautification	68	70	76	74	76	77	80	82	84	86
	Total - 2007 Coastal - upgrades			*68*	*70*	*76*	*74*	*76*	*77*	*80*	*82*	*84*	*86*
2.1	2008	Coastal	PSR Coastal - Renewals (CX)	446	332	707	417	325	514	821	651	411	339
	Total - 2008 Coastal			*446*	*332*	*707*	*417*	*325*	*514*	*821*	*651*	*411*	*339*
2.1	2009	Town Belt & Reserves	PSR Town Belt & Reserves - Renewals (CX)	367	376	568	454	470	478	548	610	526	468
			Other BU Labour Allocations Property Urban Design	38	37	0	0	0	0	0	0	0	0
			PSR Town Belt & Reserves - Upgrades	0	155	159	541	557	0	1,272	0	0	0
			Fish Passages	15	15	16	16	17	17	18	18	19	19
			Signage	12	12	13	13	13	14	14	14	15	15
	Total - 2009 Town Belt & Reserves			*430*	*598*	*756*	*1,024*	*1,057*	*508*	*1,852*	*642*	*560*	*502*
2.1	2010	Walkways renewals	Walkway Renewals General	227	264	183	242	248	254	413	262	270	282
			Community Special Trail Initiatives	84	87	89	91	94	96	99	102	105	107
			Townbelt Trails	82	84	87	89	91	93	96	99	102	104
			Outer Green Belt Trails	53	55	57	58	59	61	62	64	66	68
			Northern Reserve Trails	53	55	57	58	59	61	62	64	66	68
			Makara Peak Upgrade Supporters Priorities	30	31	32	32	33	34	35	36	37	38
			Suburban Reserve Trails	43	44	45	46	48	48	50	51	53	54

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Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
			Skyline Extension	0	329	0	0	0	0	0	0	0	0
			Lincolnshire Belmont	0	0	0	0	0	0	1,019	0	0	0
			Makara Peak Trails	109	112	115	117	121	123	127	131	135	138
	Total - 2010 Walkways renewals			681	1,060	685	733	754	769	1,963	809	833	857
Total - 2.1 Gardens, beaches and green open spaces				4,043	6,017	7,378	15,774	9,803	4,872	7,806	5,882	5,398	6,874
2.2	2011	Southern Landfill Improveme	2011 Southern Landfill Improvement - Stage 4 Landfill Ext	1,310	4,896	7,397	1,438	1,480	1,523	1,567	6,580	8,056	1,710
			Southern Landfill Carbon Unit Purchases	2,450	3,676	3,840	4,034	4,126	4,348	4,549	4,772	5,014	5,268
			Southern Landfill Infrastructure Renewals	77	80	82	2,291	87	90	93	95	98	101
	Total - 2011 Southern Landfill Improvement			3,837	8,653	11,319	7,763	5,693	5,960	6,200	11,448	13,168	7,079
2.2	2012	Energy Management Plan	Te Atakura – Public EV Chargers	712	733	755	778	801	0	0	0	0	0
			Te Atakura – EV Fleet Transformation	475	915	902	933	438	734	31	497	31	274
	Total - 2012 Energy Management Plan			1,187	1,649	1,657	1,711	1,239	734	31	497	31	274
Total - 2.2 Waste reduction and energy conservation				5,024	10,302	12,976	9,475	6,932	6,694	6,234	11,945	13,199	7,353
2.3	2013	Water - Network renewals	WCC PW Network Renewals	7,466	8,060	10,275	12,570	16,216	17,358	12,821	13,551	14,337	15,017
	Total - 2013 Water - Network renewals			7,466	8,060	10,275	12,570	16,216	17,358	12,821	13,551	14,337	15,017
2.3	2016	Water - Network upgrades	PW Network Upgrades	934	1,209	7,007	656	491	505	521	536	553	569
			WCC PW Network Upgrades - Growth	324	618	810	1,251	1,166	1,277	7,513	10,212	9,666	3,221
	Total - 2016 Water - Network upgrades			1,258	1,826	7,817	1,907	1,657	1,782	8,034	10,748	10,218	3,790
2.3	2019	Water - Reservoir renewals	WCC PW Reservoir renewals	537	1,973	4,262	5,098	5,300	5,297	6,077	6,392	6,264	6,620
	Total - 2019 Water - Reservoir renewals			537	1,973	4,262	5,098	5,300	5,297	6,077	6,392	6,264	6,620
2.3	2020	Water - Reservoir upgrades	WCC PW Reservoir upgrades	1,048	976	0	0	0	0	0	0	0	0
			WCC PW Reservoir Upgrades - Growth	23,665	14,527	0	0	0	0	0	0	0	0
	Total - 2020 Water - Reservoir upgrades			24,713	15,503	0	0	0	0	0	0	0	0
Total - 2.3 Water				32,975	27,363	22,354	19,574	23,173	24,437	26,932	30,691	30,819	25,428
2.4	2023	Wastewater - Network renew	WCC WW Network renewals	11,345	12,076	13,254	14,078	14,354	14,938	16,306	17,480	19,090	21,433
	Total - 2023 Wastewater - Network renewals			11,345	12,076	13,254	14,078	14,354	14,938	16,306	17,480	19,090	21,433
2.4	2024	Wastewater - Network upgra	WCC WW Network upgrades	356	1,698	1,258	0	0	0	0	0	0	0
			WCC WW Network Upgrades - Growth	12,994	6,765	3,292	3,339	5,778	20,575	13,731	16,674	40,984	48,722
	Total - 2024 Wastewater - Network upgrades			13,350	8,463	4,550	3,339	5,778	20,575	13,731	16,674	40,984	48,722
Total - 2.4 Wastewater				24,695	20,539	17,804	17,417	20,132	35,513	30,036	34,154	60,074	70,156
2.5	2028	Stormwater - Network upgra	WCC SW Network upgrades	648	3,201	4,107	5,124	5,523	2,528	456	470	484	0
			WCC SW Network Upgrades - Growth	162	169	174	179	184	190	195	201	3,108	3,201
	Total - 2028 Stormwater - Network upgrades			810	3,370	4,281	5,303	5,707	2,718	651	671	3,592	3,201
2.5	2029	Stormwater - Network renew	WCC SW Network renewals	4,298	4,421	4,482	4,829	4,967	5,174	5,700	5,997	6,309	6,627
	Total - 2029 Stormwater - Network renewals			4,298	4,421	4,482	4,829	4,967	5,174	5,700	5,997	6,309	6,627
Total - 2.5 Stormwater				5,108	7,790	8,762	10,131	10,674	7,892	6,351	6,667	9,901	9,828
2.6	2033	Zoo renewals	Zoo renewals - Zoo Renewals	921	959	1,014	1,046	1,078	1,111	1,145	1,179	1,215	1,251
	Total - 2033 Zoo renewals			921	959	1,014	1,046	1,078	1,111	1,145	1,179	1,215	1,251
2.6	2034	Zoo upgrades	Snow Leopards Habitat	1,716	0	0	0	0	0	0	0	0	0
	Total - 2034 Zoo upgrades			1,716	0	0	0	0	0	0	0	0	0
Total - 2.6 Conservation attractions				2,637	959	1,014	1,046	1,078	1,111	1,145	1,179	1,215	1,251
				75,481	72,970	70,289	73,416	71,847	80,519	78,505	90,518	120,605	120,890

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
3.1	2035	Wellington Venues renewals	Venues property renewals - General capex	1,549	6,014	1,002	1,243	865	1,239	1,690	1,621	1,792	1,972
			Venues property renewals - Internal labour allocations	44	45	45	46	47	48	49	50	52	53
			BU 21 CCO Venues Operational Assets	1,239	1,116	1,114	1,324	1,115	1,222	754	911	722	725
	Total - 2035 Wellington Venues renewals			2,832	7,175	2,161	2,614	2,027	2,508	2,493	2,582	2,566	2,750
3.1	2036	Venues Upgrades	Venues Upgrades	1,000	2,060	2,101	2,143	16,396	3,345	3,412	3,480	3,549	7,241
	Total - 2036 Venues Upgrades			1,000	2,060	2,101	2,143	16,396	3,345	3,412	3,480	3,549	7,241
Total - 3.1 City promotions and business support				3,832	9,235	4,262	4,757	18,423	5,853	5,905	6,062	6,116	9,990

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Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
				3,832	9,235	4,262	4,757	18,423	5,853	5,905	6,062	6,116	9,990

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
4.1	2038	Gallery & Museum Upgrades	Bond Store Upgrade	0	901	8,355	5,816	975	0	0	0	0	0
	Total - 2038 Gallery & Museum Upgrades			0	901	8,355	5,816	975	0	0	0	0	0
4.1	2041	Te ara o nga tupuna - Maori	Toa Pou	20	0	0	0	0	0	0	0	0	0
	Total - 2041 Te ara o nga tupuna - Maori heritage trails			20	0	0	0	0	0	0	0	0	0
4.1	2042	Arts Installation	Arts Installation - Arts Installation 1	64	67	70	73	2	2	2	2	2	2
	Total - 2042 Arts Installation			64	67	70	73	2	2	2	2	2	2
4.1	2129	Wellington Convention & Exh	Wellington Convention and Exhibition Centre	50,431	31,701	160	0	0	0	0	0	0	0
	Total - 2129 Wellington Convention & Exhibition Centre (WCEC)			50,431	31,701	160	0	0	0	0	0	0	0
Total - 4.1 Arts and cultural activities				50,515	32,670	8,585	5,889	977	2	2	2	2	2
				50,515	32,670	8,585	5,889	977	2	2	2	2	2

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
5.1	2043	Aquatic Facility upgrades	Khandallah Swimming Pool Upgrade	0	0	1,167	0	0	0	0	0	0	0
	Total - 2043 Aquatic Facility upgrades			0	0	1,167	0	0	0	0	0	0	0
5.1	2044	Aquatic Facility renewals	PSR Aquatic Facility - Renewals (CX)	2,066	2,587	2,050	2,080	2,168	2,213	2,255	2,699	2,781	2,837
			Earthquake Resilience	0	3,291	0	0	0	0	0	0	0	0
	Total - 2044 Aquatic Facility renewals			2,066	5,879	2,050	2,080	2,168	2,213	2,255	2,699	2,781	2,837
5.1	2045	Sportsfields upgrades	PSR Sportsfields - Renewals (CX)	554	543	579	681	700	715	601	618	636	650
			Grenada North Community Sports Hub	0	0	213	3,365	3,473	3,569	0	0	0	0
	Total - 2045 Sportsfields upgrades			554	543	792	4,045	4,174	4,284	601	618	636	650
5.1	2046	Synthetic Turf Sportsfields re	Hataitai Netball Courts	2,000	0	0	0	0	0	0	0	0	0
			Synthetic Turf Renewals	82	1,757	1,356	812	0	0	711	1,224	1,852	1,115
	Total - 2046 Synthetic Turf Sportsfields renewals			2,082	1,757	1,356	812	0	0	711	1,224	1,852	1,115
5.1	2047	Synthetic Turf Sportsfields u	Synthetic Turf Tawa/Grenada	0	0	0	0	0	2,622	0	0	0	0
	Total - 2047 Synthetic Turf Sportsfields upgrades			0	0	0	0	0	2,622	0	0	0	0
5.1	2048	Recreation Centre Renewal	PSR Recreation Centres - Renewals (CX)	308	1,090	136	3,659	202	199	168	329	343	347
	Total - 2048 Recreation Centre Renewal			308	1,090	136	3,659	202	199	168	329	343	347
5.1	2049	ASB Sports Centre	PSR ASB Sports Centre - Renewals (CX)	442	677	145	717	159	785	166	197	210	220
	Total - 2049 ASB Sports Centre			442	677	145	717	159	785	166	197	210	220
5.1	2050	Basin Reserve	Basin Reserve (Balance of Master Plan)	266	329	396	398	475	485	880	514	530	540
	Total - 2050 Basin Reserve			266	329	396	398	475	485	880	514	530	540
5.1	2051	Playgrounds renewals & upg	PSR Playgrounds - Renewals (CX)	2,488	2,514	1,791	1,385	1,408	1,514	1,390	1,576	1,628	1,656
			PSR Playgrounds - Upgrades (CX)	0	0	0	144	114	0	0	148	152	155
	Total - 2051 Playgrounds renewals & upgrades			2,488	2,514	1,791	1,529	1,522	1,514	1,390	1,724	1,780	1,811
5.1	2052	Evans Bay Marina - Renewal	PSR Evans Bay Marina - Renewals (CX)	531	112	73	130	672	249	262	251	256	782
	Total - 2052 Evans Bay Marina - Renewals			531	112	73	130	672	249	262	251	256	782
5.1	2053	Clyde Quay Marina - Upgrad	PSR Clyde Quay Marina - Upgrade (CX)	5	1	1	1	0	0	0	0	0	0
			PSR Clyde Quay Marina - Renewal (CX)	123	71	68	73	245	123	134	167	172	417
	Total - 2053 Clyde Quay Marina - Upgrade			128	72	69	73	245	123	134	167	172	417
Total - 5.1 Recreation promotion and support				8,866	12,972	7,975	13,443	9,616	12,475	6,506	7,722	8,559	8,719
5.2	2054	Library Materials Upgrade	Library Materials Upgrade - Library Collection	2,364	2,685	2,879	3,039	2,868	2,684	2,764	2,846	2,931	2,990
	Total - 2054 Library Materials Upgrade			2,364	2,685	2,879	3,039	2,868	2,684	2,764	2,846	2,931	2,990
5.2	2055	Library Computer and Syster	Library Computer System Upgrade	0	0	0	0	0	3,145	0	0	0	0
			Computer Renewals	364	158	230	767	206	246	106	109	113	115
	Total - 2055 Library Computer and Systems Replacement			364	158	230	767	206	3,391	106	109	113	115
5.2	2056	Central Library - Upgrades a	Central Library Furniture Renewals	19	20	20	21	21	22	22	23	24	24
	Total - 2056 Central Library - Upgrades and Renewals			19	20	20	21	21	22	22	23	24	24
5.2	2058	Branch Library - Renewals	Branch Library - Renewals	286	391	397	381	395	403	415	417	429	438
			Branch Library Renewals - Western Cluster	10	6	22	6	13	13	14	0	0	0

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Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
			Branch Library Renewals - Northern Cluster	387	540	187	0	0	0	0	0	0	0
	Total - 2058 Branch Library - Renewals			663	936	585	387	407	416	429	417	429	438
5.2	2059	Housing upgrades	Housing upgrades - Curtains	63	0	0	0	0	0	0	0	0	0
			Healthy Homes Standard Programme	5,306	5,529	5,691	0	0	0	0	0	0	0
	Total - 2059 Housing upgrades			5,369	5,529	5,691	0	0	0	0	0	0	0
5.2	2060	Housing renewals	Housing renewals - BAU Capex	6,574	11,186	7,462	0	0	0	0	0	0	0
			Housing renewals - Balconies - GRA	63	0	0	0	0	0	0	0	0	0
			Single Capital Programme	2,148	0	0	0	0	0	0	0	0	0
	Total - 2060 Housing renewals			8,785	11,186	7,462	0	0	0	0	0	0	0
5.2	2061	Community Centres and Hal	Community Services - Renewals	104	86	89	91	93	95	98	101	104	106
			Community Services - Other Renewals	1,678	0	0	0	0	0	0	0	0	0
			Community Halls - upgrades & renewals	1	0	0	0	1	1	1	1	1	1
			Community Services - Karori Event Centre Fitout	400	0	0	0	0	0	0	0	0	0
	Total - 2061 Community Centres and Halls - Upgrades and Renewals			2,182	86	89	91	94	96	99	102	105	107
Total - 5.2 Community participation and support				19,746	20,580	16,956	4,305	3,597	6,609	3,420	3,497	3,601	3,674
5.3	2062	Burial & Cremations	PSR Makara Ash Plot Development	213	3	3	10	7	7	7	0	0	0
			PSR Upgrades Headstone Beams Makara Cem	51	58	65	72	80	87	96	106	114	123
			PSR Cemetery Open Space Renewals	109	322	477	497	502	346	354	412	422	437
			Cemetery FM Renewals	15	21	27	33	40	46	54	62	70	78
			Cremator Renewals	45	0	0	0	0	51	0	0	0	0
			Makara Cemetery Expansion	0	0	1,061	2,164	2,329	0	0	0	0	0
	Total - 2062 Burial & Cremations			434	403	1,633	2,776	2,657	538	511	578	606	638
5.3	2063	Public Convenience and pav	PSR Pub & Pav Rnwl NON FM Discret	1,107	500	502	523	654	658	669	689	710	724
			FM Model	77	27	46	28	47	49	52	0	0	0
			FM Renewals and Discretionary	655	291	463	388	769	808	831	855	880	899
			Lincolnshire Stebbings Public Convenience	0	0	0	0	0	296	306	0	0	0
			Pub Conven/Pav Upg	0	0	318	379	0	0	0	0	0	0
	Total - 2063 Public Convenience and pavilions			1,839	818	1,329	1,317	1,469	1,791	1,857	1,544	1,590	1,623
5.3	2064	Safety Initiatives	Community Services - Safety Initiatives	121	120	124	126	130	132	136	140	145	147
			Community Services – Te Aro Park Safety	315	1,619	1,667	0	0	0	0	0	0	0
	Total - 2064 Safety Initiatives			436	1,740	1,791	126	130	132	136	140	145	147
5.3	2065	Emergency Management ren	2065 Civil Defence Deployable Assets	80	82	85	87	89	91	94	97	99	101
	Total - 2065 Emergency Management renewals			80	82	85	87	89	91	94	97	99	101
Total - 5.3 Public health and safety				2,789	3,043	4,838	4,306	4,546	2,552	2,598	2,360	2,440	2,510
				31,400	36,595	29,769	22,058	17,759	21,636	12,584	13,580	14,600	14,900

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
6.1	2067	Wgtn Waterfront Developme	Build Wellington - FKP Playground	1,500	0	0	0	0	0	0	0	0	0
			Site 9 Upgrade	1,633	766	0	0	0	0	0	0	0	0
			Waterfront Upgrades	150	0	0	0	0	0	0	0	0	0
	Total - 2067 Wgtn Waterfront Development			3,283	766	0	0	0	0	0	0	0	0
6.1	2068	Waterfront Renewals	PSR Waterfront Public space renewals	619	591	442	410	421	430	447	459	473	472
			PSR Waterfront Jetty & Wharf Structure Renewals	582	579	596	608	627	639	658	678	698	712
			PSR Waterfront Artworks	20	21	22	22	23	23	24	25	25	26
			PSR Waterfront Seawalls	20	21	22	22	23	23	24	25	25	26
			PSR Waterfront Building renewals	153	158	163	220	171	174	180	185	190	194
			Waterfront Crane Renewals	0	0	398	0	0	0	0	0	0	0
			Sails	0	0	530	0	0	0	0	0	0	0
			Electrical Infrastructure	250	0	0	0	0	0	0	0	0	0
			Service Pipes	75	0	0	0	0	0	0	0	0	0
			Shed 5	1,500	4,017	0	0	0	0	0	0	0	0
			Shed 1	3,500	0	0	0	0	0	0	0	0	0
	Total - 2068 Waterfront Renewals			6,700	5,387	2,173	1,282	1,264	1,290	1,332	1,372	1,413	1,431

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Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
6.1	2070	Central City Framework	Laneways	0	0	0	162	333	170	350	180	370	189
			GNP – Central City Greening	0	154	0	162	0	170	0	180	0	189
			Pocketparks – 44 Frederick Street	0	0	0	821	2,111	1,292	0	0	0	0
	Total - 2070 Central City Framework			0	154	0	1,144	2,444	1,632	350	360	370	378
6.1	2073	Suburban Centres upgrades	Small Centre Beautification	8	8	8	8	9	9	9	9	10	10
	Total - 2073 Suburban Centres upgrades			8	8	8	8	9	9	9	9	10	10
6.1	2074	Minor CBD Enhancements	Minor CBD Enhancements - Minor CBD Enhancements	48	49	50	51	52	53	54	58	59	60
	Total - 2074 Minor CBD Enhancements			48	49	50	51	52	53	54	58	59	60
6.1	2136	Housing Investment Program	Build Wellington - Housing Investment Programme Opx	2,282	2,350	2,396	2,443	2,492	2,542	2,594	2,646	2,700	2,755
			SHIP – Harrison Street	6,769	66	0	0	0	0	0	0	0	0
			SHIP – Nairn Street	68	66	66	67	0	0	0	0	0	0
			SHIP – Booth Street	46	0	0	0	0	0	0	0	0	0
			SHIP – Lyndhurst Road	51	0	0	0	0	0	0	0	0	0
			SHIP – Pukehinau Infill site	51	0	0	0	0	0	0	0	0	0
			SHIP – Old Johnsonville Library	72	0	0	0	0	0	0	0	0	0
	Total - 2136 Housing Investment Programme			9,328	2,480	2,462	2,510	2,492	2,542	2,594	2,646	2,700	2,755
6.1	2137	Build Wellington Developme	Build Wellington - Great Harbour Way - Carriageway Shelly Ba	0	0	2,507	0	0	0	0	0	0	0
	Total - 2137 Build Wellington Developments			0	0	2,507	0	0	0	0	0	0	0
Total - 6.1 Urban development, heritage and public spaces development				19,367	8,845	7,200	4,996	6,261	5,526	4,339	4,445	4,552	4,634
6.2	2076	Earthquake Risk Mitigation	Build Wellington - ECS - Town Hall	33,607	29,992	4,459	0	0	0	0	0	0	0
	Total - 2076 Earthquake Risk Mitigation			33,607	29,992	4,459	0	0	0	0	0	0	0
6.2	2139	BCC New Vehicles	BCC New Vehicles	50	0	0	0	0	0	0	0	0	0
	Total - 2139 BCC New Vehicles			50	0	0	0	0	0	0	0	0	0
Total - 6.2 Building and development control				33,657	29,992	4,459	0	0	0	0	0	0	0
				53,024	38,838	11,660	4,996	6,261	5,526	4,339	4,445	4,552	4,634

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
7.1	2077	Wall, Bridge & Tunnel Renew	2077 Sea Wall Renewals	1,738	2,809	2,893	1,899	2,280	2,348	2,418	2,491	2,565	2,642
			2077 Retaining Wall Renewals	3,479	5,746	2,205	2,271	2,338	2,407	2,479	2,553	2,629	2,707
			2077 Bridges Renewals	209	215	221	228	235	242	249	256	264	272
	Total - 2077 Wall, Bridge & Tunnel Renewals			5,426	8,771	5,319	4,397	4,853	4,997	5,146	5,299	5,458	5,621
7.1	2078	Asphalt & Other Seal Renew	2078 Asphalt & Other Seal Renewals	1,562	1,379	946	1,071	1,125	1,181	1,338	1,406	1,476	1,551
	Total - 2078 Asphalt & Other Seal Renewals			1,562	1,379	946	1,071	1,125	1,181	1,338	1,406	1,476	1,551
7.1	2079	Chipseal Renewals	2079 Chipseal Renewals	3,648	4,696	5,415	6,134	6,443	6,768	7,668	8,056	8,462	8,890
	Total - 2079 Chipseal Renewals			3,648	4,696	5,415	6,134	6,443	6,768	7,668	8,056	8,462	8,890
7.1	2080	Preseal Preparations	2080 Preseal Preparations	3,887	4,005	4,125	4,250	4,375	4,510	4,646	4,784	4,926	5,073
	Total - 2080 Preseal Preparations			3,887	4,005	4,125	4,250	4,375	4,510	4,646	4,784	4,926	5,073
7.1	2081	Shape & Camber Correction	2081 Shape & Camber Correction	3,667	3,240	2,230	2,522	2,647	2,779	3,146	3,304	3,470	3,645
	Total - 2081 Shape & Camber Correction			3,667	3,240	2,230	2,522	2,647	2,779	3,146	3,304	3,470	3,645
7.1	2082	Drainage Renewals	2082 Drainage Renewals	277	285	292	301	588	605	623	641	660	680
	Total - 2082 Drainage Renewals			277	285	292	301	588	605	623	641	660	680
7.1	2083	Wall Upgrades	2083 Retaining Walls Upgrades	3,106	3,395	3,496	3,892	3,105	1,720	1,132	1,166	1,200	1,236
	Total - 2083 Wall Upgrades			3,106	3,395	3,496	3,892	3,105	1,720	1,132	1,166	1,200	1,236
7.1	2084	Service Lane & Road Bound	2084 Service Lane & Road Boundary Upgrades	1,025	60	61	63	65	67	69	71	73	76
	Total - 2084 Service Lane & Road Boundary Upgrades			1,025	60	61	63	65	67	69	71	73	76
7.1	2085	TTunnel & Bridge Upgrades	2085 Bridge Improvements	1,644	1,340	1,379	1,420	1,098	1,130	1,163	1,197	1,232	1,269
			2085 Tunnels Upgrades	250	258	265	273	280	288	297	305	314	323
	Total - 2085 TTunnel & Bridge Upgrades			1,895	1,598	1,644	1,692	1,378	1,418	1,459	1,502	1,546	1,592
7.1	2086	Kerb & Channels Renewals	2086 Kerb & Channel Renewals	1,898	1,976	2,036	2,742	2,239	2,351	2,419	2,459	2,543	2,618
	Total - 2086 Kerb & Channels Renewals			1,898	1,976	2,036	2,742	2,239	2,351	2,419	2,459	2,543	2,618
7.1	2087	New Roads	2087 Woodridge to Lincolnshire	0	0	0	0	0	0	192	5,262	0	0
			2087 Mark Ave to Lincolnshire	0	0	0	0	181	6,200	64	13	14	14
			2087 Tawa Upper Stebbings	0	0	0	0	0	0	5,970	0	0	0

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Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
			2087 Petone to Grenada Link	0	0	0	0	0	0	0	658	678	0
			2087 Mark Ave to Grenada North	0	0	0	5,464	5,628	0	0	0	0	0
			2087 John Sims Connection	0	0	0	0	0	0	0	375	2,033	0
			2087 McLintock St Link	0	0	0	0	0	0	0	197	678	2,883
			2087 Charis to Westchester	0	0	0	0	0	0	0	368	68	3,908
	Total - 2087 New Roads			**0**	**0**	**0**	**5,464**	**5,808**	**6,200**	**6,226**	**6,874**	**2,469**	**6,805**
7.1	2088	Emergency Route Walls Upg	2088 Retaining Wall Resilience Upgrades	0	0	0	0	0	0	0	1,475	1,519	1,565
			2088 Ngaio Gorge Resilience Upgrades	5,171	2,061	158	162	166	169	173	177	182	187
			2088 Ngaio Gorge Retaining Wall Strengthening	0	0	0	0	338	1,159	1,194	0	0	0
			2088 Wadestown Route Resilience Upgrades	533	2,279	501	2,363	36	37	38	39	40	41
	Total - 2088 Emergency Route Walls Upgrades			**5,704**	**4,340**	**660**	**2,525**	**540**	**1,366**	**1,406**	**1,691**	**1,741**	**1,792**
7.1	2089	Roading Capacity Upgrades	2089 Johnsonville	0	0	556	571	0	0	0	0	0	0
			2089 Roading Capacity Upgrades	25	1,131	584	2,399	2,715	2,130	1,498	1,543	1,589	1,637
	Total - 2089 Roading Capacity Upgrades			**25**	**1,131**	**1,138**	**2,971**	**2,715**	**2,130**	**1,498**	**1,543**	**1,589**	**1,637**
7.1	2090	Roading Rebuild	2090 Roading Rebuild	1,805	1,859	1,915	1,972	2,031	2,094	2,157	2,221	2,287	2,356
	Total - 2090 Roading Rebuild			**1,805**	**1,859**	**1,915**	**1,972**	**2,031**	**2,094**	**2,157**	**2,221**	**2,287**	**2,356**
7.1	2091	Port & Ferry Access Upgrade	2091 Port & Ferry Access Upgrades	0	0	0	5,844	2,588	3,720	0	0	0	0
	Total - 2091 Port & Ferry Access Upgrades			**0**	**0**	**0**	**5,844**	**2,588**	**3,720**	**0**	**0**	**0**	**0**
7.1	2094	Cycling Network Renewals	2094 Cycleways Minor Works	1,000	1,029	1,057	1,088	1,117	1,149	1,182	1,217	1,252	1,289
			2094 East Corridor - Evans Bay	10,182	13,200	2,856	0	0	0	0	0	0	0
			2094 Cycleways	0	0	3,171	10,362	17,983	10,403	10,114	9,799	10,091	10,392
	Total - 2094 Cycling Network Renewals			**11,182**	**14,229**	**7,084**	**11,449**	**19,100**	**11,553**	**11,297**	**11,016**	**11,343**	**11,681**
7.1	2095	Bus Priority Planning	2095 Bus Shelters	597	615	627	640	787	803	820	836	853	871
			2095 Bus Priority Improvements	665	685	698	713	727	742	757	773	789	806
	Total - 2095 Bus Priority Planning			**1,262**	**1,299**	**1,325**	**1,353**	**1,515**	**1,545**	**1,577**	**1,609**	**1,643**	**1,677**
7.1	2096	Footpaths Structures Renew	2096 Footpaths Structures Upgrades	294	303	312	321	520	536	551	568	585	602
			2096 Footpaths Structures Renewals	27	28	29	1,203	30	31	32	33	34	35
	Total - 2096 Footpaths Structures Renewals & Upgrades			**321**	**331**	**340**	**1,524**	**550**	**567**	**583**	**601**	**619**	**637**
7.1	2097	Footpaths Renewals	2097 Footpaths Renewals	4,091	4,334	4,444	4,907	5,089	5,244	5,403	5,564	5,731	5,902
	Total - 2097 Footpaths Renewals			**4,091**	**4,334**	**4,444**	**4,907**	**5,089**	**5,244**	**5,403**	**5,564**	**5,731**	**5,902**
7.1	2098	Footpaths Upgrades	2098 Safer Routes to Schools	139	286	588	606	624	643	662	682	702	723
			2098 Footpaths Upgrades	1,916	1,663	1,710	1,759	5,919	5,748	5,919	6,097	4,229	4,355
	Total - 2098 Footpaths Upgrades			**2,054**	**1,949**	**2,298**	**2,365**	**6,543**	**6,391**	**6,581**	**6,779**	**4,932**	**5,079**
7.1	2099	Street Furniture Renewals	2099 Street Furniture Renewals	191	196	202	207	241	248	255	263	271	279
	Total - 2099 Street Furniture Renewals			**191**	**196**	**202**	**207**	**241**	**248**	**255**	**263**	**271**	**279**
7.1	2100	Pedestrian Network Accessw	2100 Pedestrian Accessways Renewals	257	268	273	336	298	307	316	326	335	345
	Total - 2100 Pedestrian Network Accessways			**257**	**268**	**273**	**336**	**298**	**307**	**316**	**326**	**335**	**345**
7.1	2101	Traffic & Street Signs Renew	2101 Traffic & Street Signs Renewals	1,212	1,249	1,287	1,326	1,366	1,408	1,451	1,494	1,538	1,584
	Total - 2101 Traffic & Street Signs Renewals			**1,212**	**1,349**	**1,287**	**1,326**	**1,366**	**1,408**	**1,451**	**1,494**	**1,538**	**1,584**
7.1	2102	Traffic Signals Renewals	2102 Traffic Signals Renewals	949	977	1,005	1,034	1,064	1,094	1,126	1,159	1,193	1,228
	Total - 2102 Traffic Signals Renewals			**949**	**977**	**1,005**	**1,034**	**1,064**	**1,094**	**1,126**	**1,159**	**1,193**	**1,228**
7.1	2103	Street Lights Renewals & Up	2103 Street Light Renewals	643	662	680	783	805	827	850	874	899	926
			2103 Street Light Upgrades	100	103	106	109	113	116	119	123	127	130
			2103 LED Street Light Transition	605	623	640	627	543	559	576	593	611	629
	Total - 2103 Street Lights Renewals & Upgrades			**1,347**	**1,388**	**1,426**	**1,420**	**1,460**	**1,502**	**1,545**	**1,590**	**1,637**	**1,685**
7.1	2104	Rural Road Upgrades	2104 Rural Road Upgrades	114	118	121	125	129	132	136	141	145	149
	Total - 2104 Rural Road Upgrades			**114**	**118**	**121**	**125**	**129**	**132**	**136**	**141**	**145**	**149**
7.1	2105	Minor Works Upgrades	2105 Minor Works Upgrades	1,524	2,233	3,899	1,908	1,958	2,012	3,056	3,143	3,234	3,329
			2105 Drainage Upgrades	682	716	752	790	830	872	918	945	973	1,002
	Total - 2105 Minor Works Upgrades			**2,206**	**2,950**	**4,651**	**2,698**	**2,788**	**2,884**	**3,973**	**4,088**	**4,207**	**4,331**
7.1	2106	Fences & Guardrails Renew	2106 Fences & Guardrails Renewals	738	760	783	799	829	853	879	904	931	959
	Total - 2106 Fences & Guardrails Renewals			**738**	**760**	**783**	**799**	**829**	**853**	**879**	**904**	**931**	**959**
7.1	2107	Speed Management Upgrade	2107 Speed Management Upgrades	335	458	7,268	1,177	1,066	375	384	393	403	414
	Total - 2107 Speed Management Upgrades			**335**	**458**	**7,268**	**1,177**	**1,066**	**375**	**384**	**393**	**403**	**414**
7.1	2141	LGWM - City Streets	PT - Bus Priority Early Improvements	680	1,908	11,138	45,352	48,235	40,771	23,855	20,619	0	0

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	Total - 2141 LGWM - City Streets			960	1,908	11,178	45,352	48,235	40,771	22,955	20,619	0	0
7.1	2142	LGWM - Early Delivery	Golden Mile	4,966	13,469	20,391	2,261	0	0	0	0	0	0
	Total - 2142 LGWM - Early Delivery			4,966	13,469	20,391	2,261	0	0	0	0	0	0
Total - 7.1 Transport				66,132	82,617	93,351	124,173	130,774	116,780	98,395	97,559	73,828	79,522
7.2	2108	Parking Asset renewals	Parking Meter Renewals	1,421	3,347	1,071	1,093	1,126	1,159	1,194	1,230	1,267	1,305
			Parking Sensor and Equipment Renewals	1,248	0	764	459	473	835	502	517	912	548
	Total - 2108 Parking Asset renewals			2,669	3,347	1,835	1,552	1,598	1,994	1,696	1,746	2,179	1,853
7.2	2109	Parking Upgrades	2109 Parking Upgrades	181	190	197	206	215	225	235	242	249	256
	Total - 2109 Parking Upgrades			181	190	197	206	215	225	235	242	249	256
Total - 7.2 Parking				2,851	3,536	2,032	1,758	1,814	2,219	1,931	1,988	2,428	2,109
				68,983	86,154	95,384	125,931	132,588	118,999	100,326	99,548	76,256	81,631

Activity Group	Activity	Activity Description	Project Description	Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
10.1	2111	Capital Replacement Fund	Corp Finance Capital Replacement Fund - Unallocated	3,304	3,403	3,471	3,541	4,704	4,798	4,894	4,992	5,092	5,194
	Total - 2111 Capital Replacement Fund			3,304	3,403	3,471	3,541	4,704	4,798	4,894	4,992	5,092	5,194
10.1	2112	Information Management	Strategic Initiatives - Orthophotography	320	0	0	122	383	0	0	145	414	0
			Digitisation Services Project	3,333	3,433	875	0	0	0	0	0	0	0
	Total - 2112 Information Management			3,653	3,433	875	122	383	0	0	145	414	0
10.1	2114	ICT Infrastructure	Infrastructure Upgrade - Hardware Upgrades	599	703	2,941	3,014	648	662	2,256	2,309	709	727
	Total - 2114 ICT Infrastructure			589	703	2,941	3,014	648	662	2,256	2,308	709	727
10.1	2117	Unscheduled infrastructure re	Unscheduled Infrastructure Renewals	0	10,300	0	0	0	0	0	0	0	0
	Total - 2117 Unscheduled infrastructure renewals			0	10,300	0	0	0	0	0	0	0	0
10.1	2118	Health & Safety - Legislation	HS Legislative Compliance CAPEX - Unallocated	351	361	369	376	383	391	399	407	415	423
	Total - 2118 Health & Safety - Legislation Compliance			351	361	369	376	383	391	399	407	415	423
10.1	2119	Civic Property renewals	Civic Property Renewals - General capex	500	515	530	541	557	568	585	602	620	633
			Civic Property Renewals - Internal labour allocations	71	74	76	77	80	34	35	36	37	38
	Total - 2119 Civic Property renewals			571	589	606	618	636	602	620	638	657	671
10.1	2120	Commercial Properties rene	Commercial property renewals - Te Whaea Roof Works	0	0	3,183	0	0	0	0	0	0	0
			Commercial property renewals - General capex	2,483	1,070	281	595	451	471	496	511	526	536
			Commercial property renewals - Internal labour allocations	113	19	155	150	156	162	168	173	178	182
	Total - 2120 Commercial Properties renewals			2,596	1,090	3,619	744	607	633	665	684	703	719
10.1	2121	Community & Childcare Faci	Community property renewals - General capex	1,267	477	1,028	219	607	500	527	543	559	570
			Community property renewals - Internal labour allocations	45	48	48	49	50	51	52	54	55	57
	Total - 2121 Community & Childcare Facility renewals			1,312	524	1,075	268	657	551	579	596	614	627
10.1	2126	Business Unit Support	Business Support - Support for BU Initiatives	4,000	4,120	4,202	499	509	520	530	541	551	562
	Total - 2126 Business Unit Support			4,000	4,120	4,202	499	509	520	530	541	551	562
10.1	2128	Civic Campus Resilience and	Te Ngakau – Public Realm Improvements	0	0	3,018	3,079	3,140	0	0	0	0	0
			Central Library - Remediation	8,900	53,560	68,289	32,577	24,047	0	0	0	0	0
			Te Ngakau – Separation of Services	1,000	2,575	0	0	0	0	0	0	0	0
	Total - 2128 Civic Campus Resilience and Improvements			9,900	56,135	71,307	35,656	27,187	0	0	0	0	0
10.1	2133	Quarry Renewals & Upgrade	2133 Kiwi Point Quarry Renewals	16	17	244	18	18	19	19	20	20	21
			2133 Kiwi Point Quarry Upgrades	2,650	44	45	47	48	50	51	53	54	56
			2133 New Quarry	214	220	340	0	0	0	0	0	0	0
	Total - 2133 Quarry Renewals & Upgrades			2,880	281	630	64	66	68	70	72	75	77
10.1	2140	Security	Security Capex Program	613	645	673	702	733	765	798	814	831	847
	Total - 2140 Security			613	645	673	702	733	765	798	814	831	847
Total - 10.1 Organisational Projects				29,780	81,585	89,769	45,604	36,515	8,990	10,812	11,199	10,062	9,847
				29,780	81,585	89,769	45,604	36,515	8,990	10,812	11,199	10,062	9,847
				313,015	358,181	309,717	282,648	284,522	241,526	212,472	225,354	232,150	241,899

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SUMMARY BY OPEX ACTIVITY (INFLATED)
ANNUAL/LONG TERM PLAN BUDGET REPORT - 10 YEAR

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Governance	1.1	1000	Annual Planning	Operating Costs	1,474	1,506	1,521	1,592	1,616	1,632	1,645	1,666	1,697	1,725
		Total - 1000 Annual Planning			1,474	1,506	1,521	1,592	1,616	1,632	1,645	1,666	1,697	1,725
Governance	1.1	1001	Policy	Operating Costs	1,514	1,548	1,564	1,638	1,654	1,677	1,683	1,704	1,732	1,757
		Total - 1001 Policy			1,514	1,548	1,564	1,638	1,654	1,677	1,683	1,704	1,732	1,757
Governance	1.1	1002	Committee & Council Process	Income	(25)	(419)	(26)	(27)	(440)	(28)	(28)	(467)	(30)	(30)
				Operating Costs	7,858	8,971	8,177	8,547	9,669	8,771	8,811	9,935	8,984	9,089
		Total - 1002 Committee & Council Process			7,833	8,552	8,151	8,520	9,229	8,743	8,782	9,467	8,954	9,059
Governance	1.1	1003	Strategic Planning	Operating Costs	545	556	562	584	592	597	600	607	616	625
		Total - 1003 Strategic Planning			545	556	562	584	592	597	600	607	616	625
Governance	1.1	1004	Tawa Community Board - Discretionary	Operating Costs	21	21	22	22	23	23	24	24	25	25
		Total - 1004 Tawa Community Board - Discretionary			21	21	22	22	23	23	24	24	25	25
Governance	1.1	1005	Smart Capital - Marketing	Operating Costs	3	3	3	3	3	3	3	3	4	4
		Total - 1005 Smart Capital - Marketing			3	3	3	3	3	3	3	3	4	4
Governance	1.1	1007	WCC City Service Centre	Income	(105)	(108)	(111)	(113)	(115)	(117)	(120)	(122)	(125)	(127)
				Operating Costs	5,528	5,677	5,467	5,628	5,711	5,713	5,688	5,730	5,803	5,867
		Total - 1007 WCC City Service Centre			5,423	5,569	5,356	5,515	5,596	5,596	5,568	5,607	5,678	5,740
Governance	1.1	1009	Rating Property Valuations	Income	(232)	(236)	(244)	(249)	(254)	(259)	(264)	(269)	(275)	(280)
				Operating Costs	831	823	838	862	879	895	911	929	947	964
		Total - 1009 Rating Property Valuations			599	584	594	613	625	636	647	659	672	684
Governance	1.1	1010	Rateable property data & valuation management	Operating Costs	1,162	1,191	1,205	1,269	1,289	1,293	1,292	1,302	1,320	1,336
		Total - 1010 Rateable property data & valuation management			1,162	1,191	1,205	1,269	1,289	1,293	1,292	1,302	1,320	1,336
Governance	1.1	1011	Archives	Income	(165)	(170)	(174)	(177)	(181)	(184)	(188)	(192)	(195)	(199)
				Operating Costs	1,781	1,836	2,001	2,106	2,149	2,174	2,191	2,219	2,246	2,277
		Total - 1011 Archives			1,616	1,666	1,827	1,929	1,968	1,990	2,004	2,027	2,051	2,078
Governance	1.1	1216	CCO Covid Response Support	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1216 CCO Covid Response Support			0	0	0	0	0	0	0	0	0	0
	Total - 1.1 Governance information and engagement				20,188	21,200	20,805	21,835	22,890	22,161	22,247	23,071	22,740	23,032
Governance	1.2	1012	Funding agreements – Māori	Operating Costs	219	227	232	237	242	247	252	257	262	267
		Total - 1012 Funding agreements – Māori			219	227	232	237	242	247	252	257	262	267
Governance	1.2	1013	Māori Engagement	Operating Costs	2,239	3,359	3,426	3,498	3,566	3,631	3,697	3,765	3,839	3,913
		Total - 1013 Māori Engagement			2,239	3,359	3,426	3,498	3,566	3,631	3,697	3,765	3,839	3,913
	Total - 1.2 Māori and mana whenua partnerships				2,458	3,586	3,658	3,735	3,808	3,878	3,948	4,023	4,101	4,180
Total - 1 Governance					22,646	24,787	24,463	25,420	26,416	26,069	26,195	27,094	26,850	27,212

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Environment	2.1	1014	Parks and Reserves Planning	Income	0	0	0	0	0	0	0	0	0	0
				Operating Costs	1,127	1,138	1,139	1,211	1,247	1,218	1,253	1,229	1,265	1,277
		Total - 1014 Parks and Reserves Planning			1,127	1,132	1,139	1,211	1,247	1,218	1,253	1,229	1,265	1,277
Environment	2.1	1015	Reserves Unplanned Maintenance	Operating Costs	221	245	252	260	269	273	279	289	297	302
		Total - 1015 Reserves Unplanned Maintenance			221	245	252	260	269	273	279	289	297	302
Environment	2.1	1016	Parks Mowing- Open Space & Reserve Land	Income	(46)	(48)	(49)	(50)	(52)	(53)	(54)	(56)	(58)	(59)
				Operating Costs	1,501	1,581	1,565	1,635	1,697	1,736	1,765	1,796	1,820	1,802
		Total - 1016 Parks Mowing- Open Space & Reserve Land			1,455	1,533	1,516	1,585	1,645	1,682	1,710	1,740	1,762	1,744
Environment	2.1	1017	Park Furniture and Infrastructure Maintenance	Income	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(44)	(45)	(46)
				Operating Costs	1,994	2,222	2,479	2,622	2,779	2,910	3,225	3,491	3,545	3,779

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
		Total - 1017 Park Furniture and Infrastructure Maintenance			*1,857*	*2,105*	*2,440*	*2,583*	*2,736*	*2,894*	*3,125*	*3,447*	*3,690*	*3,733*
Environment	2.1	1018	Parks and Buildings Maint	Income	(320)	(329)	(339)	(340)	(351)	(380)	(380)	(391)	(403)	(411)
				Operating Costs	1,554	1,669	1,747	1,839	1,874	1,938	1,996	2,066	2,091	2,113
		Total - 1018 Parks and Buildings Maint			*1,234*	*1,340*	*1,408*	*1,498*	*1,523*	*1,558*	*1,616*	*1,675*	*1,688*	*1,702*
Environment	2.1	1019	CBD and Suburban Gardens	Income	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(43)	(44)	(45)
				Operating Costs	2,485	2,547	2,571	2,872	2,720	2,742	2,764	2,813	2,874	2,915
		Total - 1019 CBD and Suburban Gardens			*2,450*	*2,510*	*2,533*	*2,834*	*2,681*	*2,702*	*2,722*	*2,771*	*2,831*	*2,870*
Environment	2.1	1020	Arboricultural Operations	Income	(154)	(160)	(156)	(169)	(165)	(168)	(167)	(172)	(177)	(181)
				Operating Costs	1,969	2,002	1,990	2,068	2,102	2,145	2,182	2,215	2,242	2,277
		Total - 1020 Arboricultural Operations			*1,815*	*1,842*	*1,834*	*1,899*	*1,937*	*1,977*	*2,014*	*2,043*	*2,064*	*2,096*
Environment	2.1	1021	Wellington Gardens (Botanic, Otari etc)	Income	(459)	(510)	(509)	(525)	(619)	(631)	(651)	(671)	(691)	(705)
				Operating Costs	6,203	6,545	6,834	7,268	7,734	8,045	8,264	8,464	8,778	8,950
		Total - 1021 Wellington Gardens (Botanic, Otari etc)			*5,744*	*6,035*	*6,325*	*6,743*	*7,116*	*7,414*	*7,613*	*7,793*	*8,087*	*8,245*
Environment	2.1	1022	Coastal Operations	Income	(49)	(50)	(52)	(57)	(59)	(60)	(62)	(64)	(65)	(67)
				Operating Costs	1,284	1,545	1,595	1,707	1,717	1,765	1,810	1,872	1,928	1,955
		Total - 1022 Coastal Operations			*1,235*	*1,495*	*1,543*	*1,650*	*1,658*	*1,705*	*1,748*	*1,808*	*1,862*	*1,888*
Environment	2.1	1024	Road Corridor Growth Control	Income	(944)	(982)	(1,011)	(1,042)	(1,073)	(1,106)	(1,139)	(1,173)	(1,208)	(1,244)
				Operating Costs	2,723	2,823	2,897	3,010	3,096	3,181	3,264	3,357	3,452	3,546
		Total - 1024 Road Corridor Growth Control			*1,779*	*1,841*	*1,886*	*1,968*	*2,023*	*2,075*	*2,125*	*2,184*	*2,244*	*2,302*
Environment	2.1	1025	Street Cleaning	Income	(343)	(353)	(366)	(376)	(382)	(394)	(407)	(419)	(432)	(444)
				Operating Costs	8,512	8,755	8,992	9,352	9,512	9,779	10,045	10,330	10,622	10,906
		Total - 1025 Street Cleaning			*8,169*	*8,402*	*8,627*	*8,976*	*9,130*	*9,385*	*9,638*	*9,911*	*10,190*	*10,464*
Environment	2.1	1026	Hazardous Trees Removal	Income	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(7)	(8)
				Operating Costs	391	412	404	454	453	459	468	479	491	500
		Total - 1026 Hazardous Trees Removal			*385*	*406*	*398*	*448*	*447*	*452*	*461*	*472*	*484*	*492*
Environment	2.1	1027	Town Belts Planting	Operating Costs	858	886	919	944	982	936	1,020	985	1,008	996
		Total - 1027 Town Belts Planting			*858*	*886*	*919*	*944*	*982*	*936*	*1,020*	*985*	*1,008*	*996*
Environment	2.1	1028	Townbelt-Reserves Management	Income	(265)	(305)	(325)	(315)	(324)	(331)	(343)	(355)	(364)	(371)
				Operating Costs	4,667	5,454	6,112	6,303	6,697	6,697	6,862	6,861	6,954	6,882
		Total - 1028 Townbelt-Reserves Management			*4,402*	*5,149*	*5,787*	*5,988*	*6,373*	*6,366*	*6,519*	*6,506*	*6,590*	*6,511*
Environment	2.1	1030	Community greening initiatives	Operating Costs	656	702	696	726	749	756	763	749	763	774
		Total - 1030 Community greening initiatives			*656*	*702*	*696*	*726*	*749*	*756*	*763*	*749*	*763*	*774*
Environment	2.1	1031	Environmental Grants Pool	Operating Costs	104	105	105	106	107	107	108	109	109	110
		Total - 1031 Environmental Grants Pool			*104*	*105*	*105*	*106*	*107*	*107*	*108*	*109*	*109*	*110*
Environment	2.1	1032	Walkway Maintenance	Operating Costs	1,233	1,306	1,390	1,473	1,516	1,534	1,607	1,576	1,610	1,637
		Total - 1032 Walkway Maintenance			*1,233*	*1,306*	*1,390*	*1,473*	*1,516*	*1,534*	*1,607*	*1,576*	*1,610*	*1,637*
Environment	2.1	1033	Weeds & Hazardous Trees Monitoring	Operating Costs	995	1,068	1,082	1,125	1,136	1,140	1,147	1,163	1,189	1,206
		Total - 1033 Weeds & Hazardous Trees Monitoring			*995*	*1,068*	*1,082*	*1,125*	*1,136*	*1,140*	*1,147*	*1,163*	*1,189*	*1,206*
Environment	2.1	1034	Animal Pest Management	Operating Costs	1,833	2,181	2,236	2,322	2,309	2,451	2,516	2,429	2,497	2,563
		Total - 1034 Animal Pest Management			*1,833*	*2,181*	*2,236*	*2,322*	*2,309*	*2,451*	*2,516*	*2,429*	*2,497*	*2,563*
Environment	2.1	1035	Waterfront Public Space Management	Income	(441)	(460)	(478)	(503)	(524)	(541)	(560)	(584)	(600)	(623)
				Operating Costs	8,385	8,770	8,856	9,229	9,617	9,596	9,613	9,583	9,638	9,625
		Total - 1035 Waterfront Public Space Management			*7,944*	*8,310*	*8,378*	*8,726*	*9,093*	*9,055*	*9,053*	*8,999*	*9,038*	*9,002*
Environment	2.1	1217	PSR Nursery Operations	Income	(45)	(46)	(48)	(54)	(56)	(57)	(53)	(54)	(56)	(57)
				Operating Costs	(340)	(350)	(370)	(363)	(369)	(382)	(424)	(381)	(394)	(402)
		Total - 1217 PSR Nursery Operations			*(385)*	*(396)*	*(418)*	*(417)*	*(425)*	*(440)*	*(478)*	*(435)*	*(450)*	*(459)*
Total - 2.1 Gardens, beaches and green open spaces					*45,116*	*48,159*	*50,937*	*52,358*	*54,337*	*55,578*	*56,624*	*57,445*	*58,728*	*59,457*
Environment	2.2	1036	Landfill Operations & Maint	Income	(11,904)	(13,688)	(15,827)	(16,053)	(16,942)	(17,799)	(18,945)	(20,079)	(21,267)	(22,529)
				Operating Costs	8,129	10,467	12,537	12,939	13,840	15,207	16,535	17,592	18,813	19,929
		Total - 1036 Landfill Operations & Maint			*(3,775)*	*(3,221)*	*(3,290)*	*(3,114)*	*(3,102)*	*(2,592)*	*(2,410)*	*(2,487)*	*(2,454)*	*(2,600)*
Environment	2.2	1037	Suburban Refuse Collection	Income	(4,306)	(5,160)	(5,720)	(6,398)	(6,865)	(7,361)	(7,782)	(8,154)	(8,642)	(9,432)
				Operating Costs	4,060	4,561	5,111	5,871	5,941	6,353	6,730	7,111	7,549	8,058

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
		Total - 1037 Suburban Refuse Collection			(478)	[illegible]	[illegible]	(873)	(1,134)	[illegible]	(1,052)	(1,943)	[illegible]	[illegible]
Environment	2.2	1038	Domestic Recycling	Income	(4,413)	(5,082)	(5,690)	(6,520)	(7,344)	(8,019)	(8,798)	(9,527)	(10,335)	(11,183)
				Operating Costs	7,188	7,960	7,972	8,469	8,964	9,455	9,962	10,523	11,116	11,731
		Total - 1038 Domestic Recycling			2,775	2,478	2,282	1,869	1,618	1,436	1,204	996	781	548
Environment	2.2	1039	Waste Minimisation	Income	(1,486)	(1,649)	(1,794)	(1,960)	(2,132)	(2,283)	(2,446)	(2,620)	(2,805)	(3,002)
				Operating Costs	2,630	2,839	2,867	2,999	3,060	3,102	3,140	3,209	3,278	3,334
		Total - 1039 Waste Minimisation			1,145	1,190	1,073	1,039	928	818	694	589	474	332
Environment	2.2	1040	Litter Enforcement	Operating Costs	102	104	105	110	112	112	112	112	114	115
		Total - 1040 Litter Enforcement			102	104	105	110	112	112	112	112	114	115
Environment	2.2	1041	Closed Landfill Gas Migration Monitoring	Operating Costs	716	747	769	794	817	840	862	885	910	935
		Total - 1041 Closed Landfill Gas Migration Monitoring			716	747	769	794	817	840	862	885	910	935
Environment	2.2	1042	EV Charging & Home Energy Audits	Income	0	0	0	0	(19)	(20)	(21)	0	0	0
				Operating Costs	3,703	3,792	4,046	4,121	4,361	3,290	3,084	2,659	3,013	2,944
		Total - 1042 EV Charging & Home Energy Audits			3,703	3,792	4,046	4,121	4,341	3,270	3,063	2,659	3,013	2,944
	Total - 2.2 Waste reduction and energy conservation				4,192	4,577	4,378	4,978	3,791	2,348	2,441	2,012	1,543	981
Environment	2.3	1043	Water - Meter Reading	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1043 Water - Meter Reading			0	0	0	0	0	0	0	0	0	0
Environment	2.3	1044	Water - Network Maintenance	Operating Costs	8,782	9,330	9,651	10,058	10,292	10,579	10,884	11,176	11,496	11,813
		Total - 1044 Water - Network Maintenance			8,782	9,330	9,651	10,058	10,292	10,579	10,884	11,176	11,496	11,813
Environment	2.3	1045	Water - Water Connections	Income	(48)	(47)	(48)	(50)	(51)	(53)	(54)	(55)	(56)	(39)
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1045 Water - Water Connections			(48)	(47)	(48)	(50)	(51)	(53)	(54)	(55)	(56)	(39)
Environment	2.3	1046	Water - Pump Stations Maintenance-Operations	Operating Costs	1,132	1,193	1,232	1,278	1,311	1,349	1,387	1,428	1,469	1,511
		Total - 1046 Water - Pump Stations Maintenance-Operations			1,132	1,193	1,232	1,278	1,311	1,349	1,387	1,428	1,469	1,511
Environment	2.3	1047	Water - Asset Stewardship	Operating Costs	24,583	27,583	30,378	32,352	34,991	36,451	38,328	40,595	41,494	39,731
		Total - 1047 Water - Asset Stewardship			24,583	27,583	30,378	32,352	34,991	36,451	38,328	40,595	41,494	39,731
Environment	2.3	1048	Water - Reservoir-Dam Maintenance	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1048 Water - Reservoir-Dam Maintenance			0	0	0	0	0	0	0	0	0	0
Environment	2.3	1049	Water - Monitoring & Investigation	Operating Costs	813	864	893	931	953	979	1,006	1,035	1,064	1,094
		Total - 1049 Water - Monitoring & Investigation			813	864	893	931	953	979	1,006	1,035	1,064	1,094
Environment	2.3	1050	Water - Asset Management	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1050 Water - Asset Management			0	0	0	0	0	0	0	0	0	0
Environment	2.3	1051	Water - Bulk Water Purchase	Operating Costs	18,479	19,209	19,755	20,379	20,990	21,620	22,268	22,936	23,625	24,333
		Total - 1051 Water - Bulk Water Purchase			18,479	19,209	19,755	20,379	20,990	21,620	22,268	22,936	23,625	24,333
	Total - 2.3 Water				53,715	58,112	61,891	65,144	69,487	70,925	73,766	77,094	78,981	78,423
Environment	2.4	1052	Wastewater - Asset Stewardship	Income	(835)	(898)	(894)	(929)	(943)	(977)	(1,007)	(1,037)	(1,068)	(1,100)
				Operating Costs	18,006	20,084	23,263	24,927	26,967	28,644	30,002	31,622	33,517	35,378
		Total - 1052 Wastewater - Asset Stewardship			17,171	19,186	22,368	24,998	26,018	27,667	28,995	30,585	32,448	34,278
Environment	2.4	1053	Wastewater - Trade Waste Monitoring & Investigation	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1053 Wastewater - Trade Waste Monitoring & Investigation			0	0	0	0	0	0	0	0	0	0
Environment	2.4	1055	Wastewater - Network Maintenance	Operating Costs	5,446	5,872	6,103	6,326	6,445	6,623	6,801	6,995	7,195	7,421
		Total - 1055 Wastewater - Network Maintenance			5,446	5,872	6,103	6,326	6,445	6,623	6,801	6,995	7,195	7,421
Environment	2.4	1057	Wastewater - Asset Management	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1057 Wastewater - Asset Management			0	0	0	0	0	0	0	0	0	0
Environment	2.4	1058	Wastewater - Monitoring & Investigation	Operating Costs	889	926	1,003	1,039	1,057	1,087	1,116	1,148	1,181	1,219
		Total - 1058 Wastewater - Monitoring & Investigation			889	926	1,003	1,039	1,057	1,087	1,116	1,148	1,181	1,219
Environment	2.4	1059	Wastewater - Pump Station Maintenance-Ops	Operating Costs	1,401	1,460	1,569	1,624	1,656	1,703	1,749	1,800	1,852	1,911
		Total - 1059 Wastewater - Pump Station Maintenance-Ops			1,401	1,460	1,569	1,624	1,656	1,703	1,749	1,800	1,852	1,911
Environment	2.4	1060	Wastewater - Treatment Plants	Operating Costs	25,064	25,250	28,223	29,370	30,204	28,668	27,455	28,182	28,944	29,717
		Total - 1060 Wastewater - Treatment Plants			25,064	25,250	28,223	29,370	30,204	28,668	27,455	28,182	28,944	29,717
Environment	2.4	1062	Sewerage Disposal	Operating Costs	0	0	0	0	0	0	0	0	0	0

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
		Total - 1062 Sewerage Disposal			0	0	0	0	0	0	0	0	0	0
	Total - 2.4 Wastewater				46,672	54,335	56,288	62,385	65,380	65,948	68,116	68,711	71,322	74,547
Environment	2.5	1063	Stormwater - Asset Stewardship	Operating Costs	21,964	24,172	26,350	27,804	29,615	31,013	31,683	32,980	34,286	35,459
		Total - 1063 Stormwater - Asset Stewardship			21,964	24,172	26,350	27,804	29,615	31,013	31,683	32,980	34,286	35,459
Environment	2.5	1064	Stormwater - Network Maintenance	Operating Costs	3,736	3,994	4,174	4,332	4,294	4,413	4,532	4,662	4,796	4,927
		Total - 1064 Stormwater - Network Maintenance			3,736	3,994	4,174	4,332	4,294	4,413	4,532	4,662	4,796	4,927
Environment	2.5	1065	Stormwater - Monitoring & Investigation	Income	0	0	0	0	0	0	0	0	0	0
				Operating Costs	334	357	373	387	384	394	405	417	429	441
		Total - 1065 Stormwater - Monitoring & Investigation			334	357	373	387	384	394	405	417	429	441
Environment	2.5	1066	Stormwater - Asset Management	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1066 Stormwater - Asset Management			0	0	0	0	0	0	0	0	0	0
Environment	2.5	1067	Drainage Maintenance	Income	(162)	(169)	(174)	(179)	(185)	(190)	(196)	(202)	(208)	(214)
				Operating Costs	1,414	1,465	1,501	1,564	1,608	1,651	1,693	1,740	1,788	1,835
		Total - 1067 Drainage Maintenance			1,252	1,296	1,322	1,385	1,424	1,461	1,497	1,538	1,580	1,621
Environment	2.5	1068	Stormwater - Pump Station Maintenance-Ops	Operating Costs	125	134	140	145	144	148	152	156	161	165
		Total - 1068 Stormwater - Pump Station Maintenance-Ops			125	134	140	145	144	148	152	156	161	165
	Total - 2.5 Stormwater				27,411	29,954	32,384	34,054	35,860	37,428	38,469	39,753	41,251	42,613
Environment	2.6	1069	Zealandia	Operating Costs	1,577	2,224	1,786	1,754	1,807	1,853	1,890	1,930	1,969	1,997
		Total - 1069 Zealandia			1,577	2,224	1,786	1,754	1,807	1,853	1,890	1,930	1,969	1,997
Environment	2.6	1070	Wellington Zoo Trust	Operating Costs	5,894	6,235	6,468	6,630	6,757	7,196	7,489	7,629	7,690	7,766
		Total - 1070 Wellington Zoo Trust			5,894	6,235	6,468	6,630	6,757	7,196	7,489	7,629	7,690	7,766
	Total - 2.6 Conservation attractions				7,471	8,459	8,254	8,384	8,583	9,059	9,379	9,580	9,669	9,763
Total - 2 Environment					187,472	205,531	216,212	228,384	238,418	241,718	248,028	254,595	261,063	265,703
Strategy	**Activity Group**	**Activity**	**Activity Description**		**Year 1 budget $000's**	**Year 2 budget $000's**	**Year 3 budget $000's**	**Year 4 budget $000's**	**Year 5 budget $000's**	**Year 6 budget $000's**	**Year 7 budget $000's**	**Year 8 budget $000's**	**Year 9 budget $000's**	**Year 10 budget $000's**
Economic Development	3.1	1073	WellingtonNZ Tourism	Operating Costs	6,066	6,210	6,378	6,540	6,695	6,855	7,027	7,167	7,311	7,457
		Total - 1073 WellingtonNZ Tourism			6,066	6,210	6,378	6,540	6,695	6,855	7,027	7,167	7,311	7,457
Economic Development	3.1	1074	Events Fund	Operating Costs	5,143	5,265	5,407	5,544	5,676	5,812	5,957	6,076	6,198	6,322
		Total - 1074 Events Fund			5,143	5,265	5,407	5,544	5,676	5,812	5,957	6,076	6,198	6,322
Economic Development	3.1	1075	Wellington Venues	Income	(8,325)	(10,725)	(13,039)	(13,300)	(13,566)	(13,837)	(14,114)	(14,396)	(14,684)	(14,978)
				Operating Costs	14,053	15,621	18,293	20,285	20,309	20,887	21,447	21,918	22,496	22,622
		Total - 1075 Wellington Venues			5,728	4,898	5,254	6,985	6,744	7,050	7,334	7,522	7,812	7,645
Economic Development	3.1	1076	Destination Wellington	Operating Costs	1,912	1,958	2,011	2,062	2,111	2,161	2,215	2,260	2,305	2,351
		Total - 1076 Destination Wellington			1,912	1,958	2,011	2,062	2,111	2,161	2,215	2,260	2,305	2,351
Economic Development	3.1	1077	CBD Free Wifi	Operating Costs	202	30	31	33	34	35	37	37	38	39
		Total - 1077 CBD Free Wifi			202	30	31	33	34	35	37	37	38	39
Economic Development	3.1	1078	Wellington Convention & Exhibition Centre (WCEC)	Income	0	56	(12,165)	(16,197)	(21,005)	(26,415)	(28,748)	(31,036)	(32,665)	(33,657)
				Operating Costs	4,008	3,099	18,393	24,653	28,693	32,468	34,330	36,136	37,541	38,530
		Total - 1078 Wellington Convention & Exhibition Centre (WCEC)			4,008	3,155	6,228	8,456	7,688	6,053	5,582	5,100	4,876	4,873
Economic Development	3.1	1081	Economic Growth Strategy	Operating Costs	960	985	998	1,048	1,065	1,070	1,074	1,093	1,113	1,129
		Total - 1081 Economic Growth Strategy			960	985	998	1,048	1,065	1,070	1,074	1,093	1,113	1,129
Economic Development	3.1	1082	City Growth Fund	Operating Costs	2,045	2,094	2,148	2,208	2,259	2,310	2,365	2,411	2,458	2,506
		Total - 1082 City Growth Fund			2,045	2,094	2,148	2,208	2,259	2,310	2,365	2,411	2,458	2,506
				Operating Costs	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
		Total - 1083 Airport Seawalls			0	0	0	0	0	0	0	0	0	0
Economic Development	3.1	1086	Westpac Stadium	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1086 Westpac Stadium			0	0	0	0	0	0	0	0	0	0
Economic Development	3.1	1087	International Relations	Operating Costs	793	811	820	855	858	873	876	887	900	912
		Total - 1087 International Relations			793	811	820	855	858	873	876	887	900	912
Economic Development	3.1	1089	Business Improvement Districts	Operating Costs	350	350	350	350	330	330	330	330	330	330

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
		Total - 1020 Business Improvement Districts			350	350	350	350	350	350	350	350	350	350
	Total - 3.1 City promotions and business support				27,208	27,757	28,825	34,049	33,485	32,351	32,818	32,883	33,381	33,583
Total - 3 Economic Development					27,208	27,757	28,825	34,049	33,485	32,351	32,818	32,883	33,381	33,583

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Cultural Wellbeing	4.1	1090	Wellington Museums Trust	Operating Costs	9,946	10,152	10,385	10,641	10,857	11,467	11,922	12,170	12,424	12,675
		Total - 1090 Wellington Museums Trust			9,946	10,152	10,385	10,641	10,857	11,467	11,922	12,170	12,424	12,675
Cultural Wellbeing	4.1	1092	Te Papa Funding	Operating Costs	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
		Total - 1092 Te Papa Funding			2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Cultural Wellbeing	4.1	1093	Carter Observatory	Operating Costs	958	931	958	983	1,007	1,010	1,027	1,047	1,066	896
		Total - 1093 Carter Observatory			958	931	958	983	1,007	1,010	1,027	1,047	1,066	896
Cultural Wellbeing	4.1	1095	City Events Programme	Income	(328)	(334)	(340)	(347)	(354)	(361)	(369)	(376)	(383)	(391)
				Operating Costs	3,745	3,292	3,891	3,910	3,802	3,854	3,898	3,963	4,029	4,094
		Total - 1095 City Events Programme			3,417	2,958	3,550	3,563	3,448	3,493	3,530	3,587	3,646	3,703
Cultural Wellbeing	4.1	1097	Citizen's Day - Mayoral Day	Operating Costs	24	25	25	26	26	27	27	28	28	29
		Total - 1097 Citizen's Day - Mayoral Day			24	25	25	26	26	27	27	28	28	29
Cultural Wellbeing	4.1	1098	Cultural Grants Pool	Operating Costs	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244
		Total - 1098 Cultural Grants Pool			1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244
Cultural Wellbeing	4.1	1099	Subsidised Venue Hire For Community Groups	Operating Costs	200	200	200	200	200	200	200	200	200	200
		Total - 1099 Subsidised Venue Hire For Community Groups			200	200	200	200	200	200	200	200	200	200
Cultural Wellbeing	4.1	1100	City Arts Programme	Income	(72)	(77)	(82)	(95)	(93)	(100)	(107)	(109)	(111)	(113)
				Operating Costs	677	688	697	723	734	739	742	752	763	773
		Total - 1100 City Arts Programme			605	611	615	628	641	639	635	643	652	660
Cultural Wellbeing	4.1	1101	NZSO Subsidy	Operating Costs	216	216	216	216	216	216	216	216	216	216
		Total - 1101 NZSO Subsidy			216	216	216	216	216	216	216	216	216	216
Cultural Wellbeing	4.1	1102	Toi Poneke Arts Centre	Income	(572)	(594)	(618)	(637)	(664)	(685)	(714)	(736)	(758)	(773)
				Operating Costs	1,759	1,803	1,842	1,896	2,176	1,897	1,926	1,967	2,013	2,386
		Total - 1102 Toi Poneke Arts Centre			1,187	1,209	1,224	1,259	1,512	1,212	1,213	1,231	1,255	1,613
Cultural Wellbeing	4.1	1103	Public Art Fund	Operating Costs	586	583	588	584	591	594	598	602	606	614
		Total - 1103 Public Art Fund			586	583	588	584	591	594	598	602	606	614
Cultural Wellbeing	4.1	1104	New Zealand Ballet	Operating Costs	160	160	160	160	160	160	160	160	160	160
		Total - 1104 New Zealand Ballet			160	160	160	160	160	160	160	160	160	160
Cultural Wellbeing	4.1	1105	Orchestra Wellington	Operating Costs	292	292	292	292	292	292	292	292	292	292
		Total - 1105 Orchestra Wellington			292	292	292	292	292	292	292	292	292	292
Cultural Wellbeing	4.1	1106	Regional Amenities Fund	Operating Costs	609	609	609	609	609	609	609	609	609	609
		Total - 1106 Regional Amenities Fund			609	609	609	609	609	609	609	609	609	609
Cultural Wellbeing	4.1	1207	Capital of Culture	Operating Costs	1,585	1,580	1,596	1,608	1,622	1,634	1,651	1,668	1,686	1,699
		Total - 1207 Capital of Culture			1,585	1,580	1,596	1,608	1,622	1,634	1,651	1,668	1,686	1,699
Cultural Wellbeing	4.1	1214	UNESCO Strategic City of Film	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1214 UNESCO Strategic City of Film			0	0	0	0	0	0	0	0	0	0
	Total - 4.1 Arts and cultural activities				23,232	23,009	23,801	24,282	24,798	25,048	25,572	25,846	26,338	26,381
Total - 4 Cultural Wellbeing					23,232	23,009	23,801	24,282	24,798	25,048	25,572	25,846	26,338	26,381

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Social and Recreation	5.1	1107	Swimming Pools Operations	Income	(7,738)	(7,634)	(8,549)	(8,787)	(8,997)	(9,059)	(9,034)	(9,790)	(10,087)	(9,774)
				Operating Costs	26,521	27,312	27,622	28,870	29,909	29,684	30,169	30,844	31,461	32,123
		Total - 1107 Swimming Pools Operations			18,783	19,678	19,074	20,084	20,912	20,625	21,135	21,053	21,374	22,349
Social and Recreation	5.1	1108	Natural Turf Sport Operations	Income	(354)	(365)	(379)	(389)	(401)	(415)	(432)	(445)	(459)	(469)
				Operating Costs	3,830	4,176	4,465	4,812	5,076	5,156	5,997	6,422	6,683	7,007
		Total - 1108 Natural Turf Sport Operations			3,476	3,812	4,086	4,423	4,674	4,742	5,564	5,978	6,224	6,538

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Social and Recreation	5.1	1109	Synthetic Turf Sport Operations	Income	(536)	(572)	(698)	(713)	(734)	(759)	(783)	(806)	(845)	(870)
				Operating Costs	1,385	1,665	1,734	1,766	1,837	1,883	1,961	2,044	2,067	2,086
		Total - 1109 Synthetic Turf Sport Operations			849	1,093	1,036	1,053	1,103	1,124	1,178	1,238	1,222	1,216
Social and Recreation	5.1	1110	Recreation Centres	Income	(926)	(956)	(982)	(1,002)	(1,060)	(1,053)	(1,084)	(1,117)	(1,150)	(1,173)
				Operating Costs	3,848	3,980	4,022	4,214	4,428	4,465	4,511	4,546	4,636	4,711
		Total - 1110 Recreation Centres			2,922	3,024	3,040	3,212	3,368	3,412	3,427	3,429	3,486	3,538
Social and Recreation	5.1	1111	ASB Sports Centre	Income	(1,752)	(1,805)	(1,858)	(1,895)	(1,952)	(1,991)	(2,051)	(2,113)	(2,176)	(2,220)
				Operating Costs	7,016	7,262	7,199	7,551	7,499	7,582	7,868	7,867	8,238	8,234
		Total - 1111 ASB Sports Centre			5,264	5,457	5,341	5,656	5,547	5,591	5,817	5,754	6,062	6,014
Social and Recreation	5.1	1112	Basin Reserve Trust	Operating Costs	2,319	2,573	2,608	2,703	2,814	2,921	3,010	3,117	3,211	3,194
		Total - 1112 Basin Reserve Trust			2,319	2,573	2,608	2,703	2,814	2,921	3,010	3,117	3,211	3,194
Social and Recreation	5.1	1113	Recreational NZ Academy Sport	Operating Costs	47	47	47	47	47	47	47	47	47	47
		Total - 1113 Recreational NZ Academy Sport			47	47	47	47	47	47	47	47	47	47
Social and Recreation	5.1	1114	Playground and Skate Facility Maintenance	Operating Costs	1,054	1,387	1,760	1,923	2,072	2,212	2,321	2,407	2,521	2,647
		Total - 1114 Playground and Skate Facility Maintenance			1,054	1,387	1,760	1,923	2,072	2,212	2,321	2,407	2,521	2,647
Social and Recreation	5.1	1115	Marina Operations	Income	(676)	(696)	(717)	(732)	(753)	(768)	(791)	(815)	(840)	(857)
				Operating Costs	907	975	1,034	1,092	1,110	1,160	1,206	1,249	1,298	1,341
		Total - 1115 Marina Operations			231	279	317	360	357	392	415	434	458	484
Social and Recreation	5.1	1116	Municipal Golf Course	Income	(74)	(76)	(78)	(80)	(82)	(84)	(86)	(89)	(91)	(93)
				Operating Costs	256	262	265	277	280	282	287	293	300	304
		Total - 1116 Municipal Golf Course			182	186	187	197	198	198	201	204	209	211
Social and Recreation	5.1	1117	Recreation Programmes	Income	(77)	(79)	(62)	(22)	(22)	(17)	(18)	(18)	(19)	(19)
				Operating Costs	563	575	562	570	577	581	583	590	596	601
		Total - 1117 Recreation Programmes			486	496	500	548	555	564	565	572	577	582
	Total - 5.1 Recreation promotion and support				35,714	37,635	37,957	40,218	41,674	41,327	43,822	44,273	45,412	46,320
Social and Recreation	5.2	1118	Library Network - Wide Operation	Income	(208)	(243)	(249)	(499)	(509)	(519)	(538)	(551)	(567)	(519)
				Operating Costs	14,276	14,800	15,444	16,452	17,275	20,606	22,024	22,812	22,953	22,756
		Total - 1118 Library Network - Wide Operation			14,068	14,558	15,195	15,953	16,766	20,088	21,486	22,261	22,415	22,238
Social and Recreation	5.2	1119	Branch Libraries	Income	(534)	(550)	(569)	(657)	(678)	(632)	(716)	(738)	(767)	(794)
				Operating Costs	9,948	10,306	10,614	11,037	11,260	11,206	11,132	11,333	11,440	11,453
		Total - 1119 Branch Libraries			9,414	9,756	10,045	10,380	10,582	10,574	10,416	10,595	10,673	10,659
Social and Recreation	5.2	1120	Passport to Leisure Programme	Operating Costs	122	125	126	132	134	134	134	135	137	139
		Total - 1120 Passport to Leisure Programme			122	125	126	132	134	134	134	135	137	139
Social and Recreation	5.2	1121	Community Advice & Information	Operating Costs	1,744	1,741	1,775	1,886	1,916	1,925	1,924	1,940	1,966	1,993
		Total - 1121 Community Advice & Information			1,744	1,741	1,775	1,886	1,916	1,925	1,924	1,940	1,966	1,993
Social and Recreation	5.2	1122	Community Group Relationship Management	Operating Costs	179	179	181	187	190	192	193	196	199	201
		Total - 1122 Community Group Relationship Management			179	179	181	187	190	192	193	196	199	201
Social and Recreation	5.2	1123	Support for Wellington Homeless	Operating Costs	215	215	215	215	215	215	215	215	215	215
		Total - 1123 Support for Wellington Homeless			215	215	215	215	215	215	215	215	215	215
Social and Recreation	5.2	1124	Social & Recreational Grant Pool	Operating Costs	4,072	4,072	4,072	4,073	4,073	4,073	4,073	4,073	4,073	4,073
		Total - 1124 Social & Recreational Grant Pool			4,072	4,072	4,072	4,073	4,073	4,073	4,073	4,073	4,073	4,073
Social and Recreation	5.2	1125	Housing Operations and Maintenance	Income	(27,116)	(28,190)	(29,776)	(30,983)	(32,513)	(34,467)	(36,607)	(38,765)	(40,999)	(42,941)
				Operating Costs	35,932	38,407	40,656	43,295	43,930	44,129	44,182	44,714	44,624	45,277
		Total - 1125 Housing Operations and Maintenance			8,816	10,216	10,880	12,312	11,417	9,662	7,575	5,949	3,625	2,336
Social and Recreation	5.2	1126	Housing Upgrade Project	Operating Costs	0	1	1	1	1	1	1	1	1	1
		Total - 1126 Housing Upgrade Project			0	1	1	1	1	1	1	1	1	1
Social and Recreation	5.2	1127	Community Property Programmed Maintenance	Income	(4)	(4)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)
				Operating Costs	696	726	853	858	951	990	1,036	1,076	1,104	1,137
		Total - 1127 Community Property Programmed Maintenance			692	722	849	854	947	986	1,031	1,071	1,099	1,132
Social and Recreation	5.2	1128	Community Halls Operations and Maintenance	Income	(44)	(46)	(47)	(48)	(49)	(50)	(52)	(53)	(55)	(56)
				Operating Costs	866	881	914	935	997	1,006	1,012	1,018	1,033	1,036
		Total - 1128 Community Halls Operations and Maintenance			822	835	867	887	948	956	961	964	978	980

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Social and Recreation	5.2	1129	Community Prop & Facility Ops	Income	(295)	(305)	(317)	(323)	(333)	(340)	(350)	(360)	(371)	(378)
				Operating Costs	2,422	2,707	2,863	2,969	3,025	3,037	3,034	3,056	3,107	3,097
		Total - 1129 Community Prop & Facility Ops			2,127	2,400	2,546	2,645	2,692	2,697	2,685	2,696	2,736	2,719
Social and Recreation	5.2	1130	Rent Grants For Community Welfare Groups	Operating Costs	232	232	232	232	232	232	232	232	232	232
		Total - 1130 Rent Grants For Community Welfare Groups			232	232	232	232	232	232	232	232	232	232
Social and Recreation	5.2	1208	CBD Library Services Network	Income	(45)	(47)	(45)	(296)	(274)	(255)	(243)	(234)	(227)	(220)
				Operating Costs	4,818	5,473	5,685	4,008	4,079	3,465	2,801	2,834	2,872	2,891
		Total - 1208 CBD Library Services Network			4,773	5,426	5,637	3,712	3,805	3,209	2,558	2,601	2,645	2,671
	Total - 5.2 Community participation and support				47,279	50,478	52,021	53,495	53,912	54,327	53,487	52,931	51,992	49,567
Social and Recreation	5.3	1131	Burial & Cremation Operations	Income	(1,068)	(1,100)	(1,133)	(1,137)	(1,192)	(1,216)	(1,253)	(1,297)	(1,336)	(1,363)
				Operating Costs	2,132	2,216	2,332	2,525	2,645	2,867	3,025	3,081	3,189	3,293
		Total - 1131 Burial & Cremation Operations			1,064	1,116	1,200	1,388	1,453	1,651	1,773	1,784	1,853	1,930
Social and Recreation	5.3	1132	Public Toilet Cleaning And Maintenance	Operating Costs	4,267	4,567	4,773	5,117	5,187	5,299	5,368	5,445	5,618	5,743
		Total - 1132 Public Toilet Cleaning And Maintenance			4,267	4,567	4,773	5,117	5,187	5,299	5,368	5,445	5,618	5,743
Social and Recreation	5.3	1133	Public Health (Food & Alcohol Premises, Dog Registration	Income	(3,773)	(3,876)	(3,956)	(4,034)	(4,115)	(4,197)	(4,281)	(4,367)	(4,454)	(4,543)
				Operating Costs	5,880	6,060	6,110	6,378	6,527	6,550	6,584	6,687	6,745	6,839
		Total - 1133 Public Health (Food & Alcohol Premises, Dog Registration)			2,106	2,193	2,154	2,344	2,412	2,353	2,303	2,320	2,291	2,296
Social and Recreation	5.3	1134	Noise Monitoring	Income	(2)	(3)	(2)	(3)	(3)	(6)	(6)	(6)	(6)	(6)
				Operating Costs	732	732	784	791	806	810	826	842	857	871
		Total - 1134 Noise Monitoring			730	729	782	788	804	816	826	838	854	868
Social and Recreation	5.3	1135	Anti-Graffiti Flying Squad	Operating Costs	1,434	1,444	1,468	1,541	1,567	1,580	1,582	1,606	1,631	1,654
		Total - 1135 Anti-Graffiti Flying Squad			1,434	1,444	1,482	1,541	1,567	1,580	1,582	1,606	1,631	1,654
Social and Recreation	5.3	1136	Safe City Project Operations	Operating Costs	2,154	2,166	2,109	2,293	2,350	2,376	2,379	2,412	2,453	2,493
		Total - 1136 Safe City Project Operations			2,154	2,142	2,109	2,293	2,350	2,378	2,379	2,412	2,453	2,493
Social and Recreation	5.3	1137	Civil Defence	Income	(14)	(14)	(15)	(15)	(15)	(16)	(16)	(16)	(17)	(17)
				Operating Costs	2,285	2,313	2,366	2,471	2,522	2,566	2,603	2,645	2,696	2,740
		Total - 1137 Civil Defence			2,271	2,298	2,351	2,458	2,507	2,550	2,587	2,628	2,680	2,723
Social and Recreation	5.3	1138	Rural Fire	Operating Costs	41	42	43	44	48	49	51	51	52	53
		Total - 1138 Rural Fire			41	42	43	44	48	49	51	51	52	53
	Total - 5.3 Public health and safety				14,067	14,546	14,859	15,459	16,327	16,835	16,875	17,098	17,432	17,780
Total - 5 Social and Recreation					97,909	102,980	105,478	109,881	111,929	113,348	114,044	114,290	113,348	114,173

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Urban Development	6.1	1139	District Plan	Income	0	0	0	0	0	0	0	0	(31)	(31)
				Operating Costs	5,905	6,594	5,875	4,097	4,067	3,843	3,406	3,139	3,138	3,179
		Total - 1139 District Plan			5,905	6,594	5,875	4,097	4,067	3,843	3,406	3,139	3,108	3,148
Urban Development	6.1	1141	Build Wellington Developments	Operating Costs	2,346	2,029	1,842	2,524	2,313	2,341	2,386	2,411	2,499	2,499
		Total - 1141 Build Wellington Developments			2,346	2,029	1,842	2,524	2,313	2,341	2,386	2,411	2,459	2,499
Urban Development	6.1	1142	Public Art and Sculpture Maintenance	Operating Costs	403	418	437	457	471	461	483	499	510	522
		Total - 1142 Public Art and Sculpture Maintenance			403	418	437	457	471	487	483	499	510	522
Urban Development	6.1	1143	Public Space-Centre Development Plan	Operating Costs	2,595	2,692	2,785	2,683	2,639	2,770	2,985	2,995	3,059	3,103
		Total - 1143 Public Space-Centre Development Plan			2,595	2,692	2,785	2,683	2,639	2,770	2,985	2,995	3,059	3,103
Urban Development	6.1	1145	City Heritage Development	Operating Costs	1,268	1,288	1,197	1,238	1,247	1,259	1,251	1,264	1,277	1,283
		Total - 1145 City Heritage Development			1,268	1,288	1,197	1,238	1,247	1,259	1,251	1,264	1,277	1,283
Urban Development	6.1	1206	Housing Investment Programme	Income	(1,709)	(1,760)	(1,796)	(1,830)	(1,866)	(1,906)	(1,944)	(1,983)	(2,022)	(2,063)
				Operating Costs	2,882	3,005	4,031	4,507	4,771	4,935	5,103	5,298	5,504	5,715
		Total - 1206 Housing Investment Programme			1,173	1,245	2,235	2,678	2,905	3,029	3,159	3,316	3,482	3,652
Urban Development	6.1	1215	Te Ngākau Programme	Operating Costs	759	11,651	0	0	0	0	0	0	0	0
		Total - 1215 Te Ngākau Programme			759	11,651	0	0	0	0	0	0	0	0
	Total - 6.1 Urban development, heritage and public spaces development				14,320	25,914	14,372	13,678	13,620	13,520	13,620	13,624	13,783	14,211

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Urban Development	6.2	1146	Building Control and Facilitation	Income	(13,344)	(14,132)	(14,213)	(14,360)	(14,577)	(14,868)	(15,239)	(15,469)	(15,776)	(16,172)
				Operating Costs	19,443	19,926	20,156	21,083	21,429	21,567	21,631	21,902	22,246	22,558
		Total - 1146 Building Control and Facilitation			6,099	5,794	5,943	6,723	6,853	6,699	6,392	6,433	6,470	6,386
Urban Development	6.2	1147	Weathertight Homes	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1147 Weathertight Homes			0	0	0	0	0	0	0	0	0	0
Urban Development	6.2	1148	Development Control and Facilitation	Income	(4,473)	(4,541)	(4,576)	(4,606)	(4,703)	(4,801)	(4,902)	(4,906)	(5,004)	(5,105)
				Operating Costs	8,515	8,755	8,870	9,273	9,442	9,526	9,578	9,706	9,875	10,034
		Total - 1148 Development Control and Facilitation			4,042	4,214	4,298	4,668	4,739	4,726	4,677	4,780	4,871	4,929
Urban Development	6.2	1149	Earthquake Assessment Study	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1149 Earthquake Assessment Study			0	0	0	0	0	0	0	0	0	0
Urban Development	6.2	1151	Earthquake Risk Building Project	Income	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(4)	(4)
				Operating Costs	5,179	1,979	1,999	2,060	2,085	2,096	2,104	2,130	2,160	2,165
		Total - 1151 Earthquake Risk Building Project			5,176	1,976	1,996	2,057	2,082	2,093	2,100	2,127	2,156	2,161
	Total - 6.2 Building and development control				15,317	11,984	12,235	13,445	13,673	13,518	13,169	13,359	13,498	13,488
Total - 6 Urban Development					26,737	27,365	26,697	27,423	27,312	27,058	26,800	26,683	27,338	27,798

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Transport	7.1	1152	Ngauranga to Airport Corridor	Operating Costs	5,335	5,034	4,129	4,386	3,972	4,036	3,937	4,009	2,590	2,634
		Total - 1152 Ngauranga to Airport Corridor			5,335	5,034	4,129	4,386	3,972	4,036	3,937	4,009	2,590	2,634
Transport	7.1	1153	Transport Planning and Policy	Income	(54)	(64)	(65)	(66)	(67)	(69)	(70)	(72)	(73)	(74)
				Operating Costs	1,077	1,227	1,240	1,302	1,326	1,349	1,367	1,400	1,429	1,454
		Total - 1153 Transport Planning and Policy			1,022	1,163	1,175	1,236	1,259	1,280	1,297	1,328	1,356	1,379
Transport	7.1	1154	Road Maintenance	Income	(965)	(1,015)	(1,047)	(1,052)	(1,085)	(1,118)	(1,152)	(1,187)	(1,222)	(1,259)
				Operating Costs	2,668	2,762	2,832	2,851	2,943	3,022	3,100	3,186	3,275	3,361
		Total - 1154 Road Maintenance			1,703	1,747	1,785	1,799	1,858	1,904	1,948	1,999	2,052	2,102
Transport	7.1	1155	Tawa Shared Driveways Maintenance	Operating Costs	26	26	27	28	29	30	31	31	32	33
		Total - 1155 Tawa Shared Driveways Maintenance			26	26	27	28	29	30	31	31	32	33
Transport	7.1	1156	Wall, Bridge & Tunnel Maintenance	Income	(106)	(107)	(111)	(116)	(118)	(121)	(125)	(128)	(132)	(136)
				Operating Costs	370	380	389	406	416	427	437	446	461	472
		Total - 1156 Wall, Bridge & Tunnel Maintenance			264	273	278	291	298	306	312	320	329	338
Transport	7.1	1157	Drains & Walls Asset Management	Income	(132)	(137)	(162)	(167)	(172)	(177)	(182)	(188)	(192)	(199)
				Operating Costs	8,961	9,793	10,952	11,267	12,402	13,129	13,636	14,039	14,506	15,046
		Total - 1157 Drains & Walls Asset Management			8,829	9,656	10,790	11,099	12,231	12,952	13,454	13,851	14,315	14,847
Transport	7.1	1158	Kerb & Channel Maintenance	Income	(350)	(361)	(372)	(384)	(395)	(408)	(420)	(433)	(446)	(459)
				Operating Costs	896	921	945	984	1,012	1,040	1,067	1,096	1,127	1,157
		Total - 1158 Kerb & Channel Maintenance			546	561	573	591	617	632	647	664	681	697
Transport	7.1	1159	Vehicle Network Asset Management	Income	(306)	(308)	(320)	(321)	(336)	(334)	(349)	(356)	(362)	(370)
				Operating Costs	25,906	32,295	37,744	42,552	48,060	52,933	58,456	63,933	65,552	60,953
		Total - 1159 Vehicle Network Asset Management			25,600	31,988	37,423	42,231	47,724	52,599	58,107	63,577	65,188	60,584
Transport	7.1	1160	Port and Ferry Access Planning	Operating Costs	73	76	80	85	90	95	100	103	106	109
		Total - 1160 Port and Ferry Access Planning			73	76	80	85	90	95	100	103	106	109
Transport	7.1	1161	Cycleways Maintenance	Income	(68)	(74)	(90)	(94)	(92)	(95)	(98)	(101)	(104)	(107)
				Operating Costs	170	183	223	234	230	236	242	249	256	264
		Total - 1161 Cycleways Maintenance			102	109	133	140	138	141	145	148	152	157
Transport	7.1	1162	Cycleway Asset Management	Income	(8)	(8)	(7)	(7)	(7)	(7)	(7)	(8)	(8)	(8)
				Operating Costs	1,102	2,783	3,431	6,019	7,610	9,906	11,789	13,395	15,042	16,782
		Total - 1162 Cycleway Asset Management			1,094	2,775	3,424	6,012	7,603	9,899	11,782	13,387	15,034	16,774
Transport	7.1	1163	Cycleways Planning	Income	(206)	(215)	(221)	(226)	(233)	(242)	(249)	(256)	(264)	(272)
				Operating Costs	3,450	3,085	600	624	640	656	670	686	706	724
		Total - 1163 Cycleways Planning			3,244	2,870	379	398	408	414	421	431	442	452
Transport	7.1	1164	Lambton Quay Interchange Maintenance	Income	(447)	(459)	(470)	(479)	(489)	(498)	(505)	(519)	(529)	(540)
				Operating Costs	819	836	876	907	931	949	951	976	993	1,004

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
		Total - 1164 Lambton Quay Interchange Maintenance			372	385	400	422	442	450	452	457	484	484
Transport	7.1	1165	Street Furniture Advertising	Income	(1,309)	(1,349)	(1,376)	(1,403)	(1,431)	(1,460)	(1,489)	(1,519)	(1,549)	(1,580)
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1165 Street Furniture Advertising			(1,309)	(1,349)	(1,376)	(1,403)	(1,431)	(1,460)	(1,489)	(1,519)	(1,549)	(1,580)
Transport	7.1	1166	Passenger Transport Asset Management	Income	(2)	(2)	(2)	(2)	(3)	(3)	(3)	(3)	(3)	(3)
				Operating Costs	922	1,041	1,201	1,241	1,368	1,498	1,616	1,756	1,900	2,037
		Total - 1166 Passenger Transport Asset Management			920	1,038	1,198	1,238	1,365	1,495	1,613	1,754	1,897	2,034
Transport	7.1	1167	Bus Priority Plan	Operating Costs	110	135	136	143	145	145	145	148	150	152
		Total - 1167 Bus Priority Plan			110	135	136	143	145	145	145	148	150	152
Transport	7.1	1168	Cable Car	Income	(75)	(1,760)	(643)	(874)	(223)	(116)	0	0	0	0
				Operating Costs	162	3,368	1,219	1,619	420	220	20	21	21	20
		Total - 1168 Cable Car			87	1,608	576	745	197	104	20	21	21	20
Transport	7.1	1170	Street Furniture Maintenance	Income	(24)	(26)	(25)	(26)	(27)	(27)	(28)	(29)	(30)	(31)
				Operating Costs	322	331	339	354	364	373	383	394	404	415
		Total - 1170 Street Furniture Maintenance			298	305	314	328	337	346	355	365	374	384
Transport	7.1	1171	Footpaths Asset Management	Income	(70)	(80)	(83)	(86)	(89)	(91)	(94)	(96)	(99)	(102)
				Operating Costs	5,906	6,680	7,512	8,279	9,143	10,090	10,952	11,840	12,961	14,107
		Total - 1171 Footpaths Asset Management			5,836	6,600	7,429	8,193	9,054	9,999	10,858	11,744	12,862	14,005
Transport	7.1	1172	Footpaths & Accessway Maintenance	Income	(302)	(394)	(406)	(410)	(431)	(445)	(458)	(472)	(486)	(501)
				Operating Costs	1,003	1,031	1,057	1,101	1,132	1,163	1,193	1,226	1,260	1,294
		Total - 1172 Footpaths & Accessway Maintenance			701	637	651	692	701	718	735	754	774	793
Transport	7.1	1173	Footpaths Structures Maintenance	Income	(84)	(86)	(89)	(91)	(94)	(97)	(100)	(103)	(106)	(109)
				Operating Costs	205	210	216	224	231	237	244	251	258	265
		Total - 1173 Footpaths Structures Maintenance			121	124	127	133	138	140	144	148	152	156
Transport	7.1	1174	Traffic Signals Maintenance	Income	(644)	(663)	(687)	(715)	(730)	(754)	(779)	(805)	(831)	(856)
				Operating Costs	1,514	1,559	1,602	1,671	1,713	1,763	1,812	1,868	1,926	1,976
		Total - 1174 Traffic Signals Maintenance			870	895	915	981	983	1,009	1,033	1,063	1,094	1,120
Transport	7.1	1175	Traffic Control Asset Management	Income	(186)	(192)	(199)	(205)	(211)	(217)	(224)	(230)	(237)	(244)
				Operating Costs	2,929	3,104	3,465	3,876	4,315	4,575	4,452	4,465	4,455	4,688
		Total - 1175 Traffic Control Asset Management			2,742	2,912	3,266	3,672	4,104	4,358	4,229	4,235	4,218	4,444
Transport	7.1	1176	Road Marking Maintenance	Income	(711)	(733)	(756)	(779)	(803)	(826)	(852)	(876)	(905)	(932)
				Operating Costs	1,805	1,856	1,904	1,981	2,038	2,094	2,149	2,210	2,272	2,332
		Total - 1176 Road Marking Maintenance			1,094	1,123	1,149	1,202	1,235	1,268	1,298	1,334	1,367	1,401
Transport	7.1	1177	Traffic & Street Sign Maintenance	Income	(153)	(157)	(162)	(168)	(173)	(178)	(183)	(189)	(194)	(200)
				Operating Costs	407	419	429	447	459	471	483	496	509	522
		Total - 1177 Traffic & Street Sign Maintenance			255	261	268	279	287	293	300	307	315	322
Transport	7.1	1178	Network Planning & Coordination	Income	(1,306)	(1,346)	(1,373)	(1,400)	(1,429)	(1,457)	(1,485)	(1,516)	(1,546)	(1,577)
				Operating Costs	2,949	3,017	3,052	3,235	3,297	3,350	3,395	3,465	3,540	3,603
		Total - 1178 Network Planning & Coordination			1,643	1,671	1,679	1,835	1,868	1,893	1,909	1,949	1,994	2,026
Transport	7.1	1179	Street Lighting Maintenance	Income	(1,469)	(1,513)	(1,588)	(1,623)	(1,669)	(1,718)	(1,771)	(1,824)	(1,878)	(1,935)
				Operating Costs	2,692	2,771	2,850	3,005	3,086	3,176	3,265	3,361	3,459	3,559
		Total - 1179 Street Lighting Maintenance			1,223	1,258	1,262	1,382	1,417	1,458	1,494	1,537	1,581	1,624
Transport	7.1	1180	Transport Education & Promotion	Income	(219)	(235)	(252)	(258)	(265)	(272)	(279)	(284)	(290)	(296)
				Operating Costs	1,007	1,147	1,109	1,243	1,267	1,281	1,293	1,316	1,342	1,363
		Total - 1180 Transport Education & Promotion			788	912	857	985	1,002	1,009	1,014	1,032	1,052	1,067
Transport	7.1	1181	Fences & Guardrails Maintenance	Income	(172)	(177)	(186)	(189)	(195)	(201)	(207)	(213)	(219)	(226)
				Operating Costs	438	450	462	481	495	506	522	536	551	566
		Total - 1181 Fences & Guardrails Maintenance			266	273	276	292	300	308	315	323	332	340
Transport	7.1	1182	Safety Asset Management	Income	(152)	(155)	(160)	(163)	(167)	(170)	(173)	(177)	(180)	(184)
				Operating Costs	3,615	3,623	3,966	4,275	4,609	4,927	5,218	5,541	5,894	6,231
		Total - 1182 Safety Asset Management			3,463	3,468	3,806	4,112	4,443	4,757	5,045	5,364	5,714	6,047
Transport	7.1	1209	LGWM - Mass Rapid Transit	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1209 LGWM - Mass Rapid Transit			0	0	0	0	0	0	0	0	0	0

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Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Transport	7.1	1210	LGWM - State Highway Improvements	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1210 LGWM - State Highway Improvements			0	0	0	0	0	0	0	0	0	0
Transport	7.1	1211	LGWM - Travel Demand Management	Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1211 LGWM - Travel Demand Management			0	0	0	0	0	0	0	0	0	0
Transport	7.1	1212	LGWM - City Streets	Operating Costs	1,582	1,983	1,694	243	1,058	2,163	3,223	4,006	4,677	4,991
		Total - 1212 LGWM - City Streets			1,582	1,983	1,694	243	1,058	2,163	3,223	4,008	4,877	4,991
Transport	7.1	1213	LGWM - Early Delivery	Operating Costs	0	77	320	733	913	963	1,001	1,041	1,083	1,126
		Total - 1213 LGWM - Early Delivery			0	77	320	733	913	963	1,001	1,041	1,083	1,128
	Total - 7.1 Transport				82,424	88,791	85,286	64,993	104,722	115,702	125,872	135,813	140,351	141,042
Transport	7.2	1164	Parking Services & Enforcement	Income	(43,292)	(47,938)	(49,377)	(50,830)	(52,384)	(54,535)	(56,171)	(57,886)	(59,992)	(61,379)
				Operating Costs	17,790	18,233	19,256	20,600	21,147	21,830	22,301	22,479	22,752	23,316
		Total - 1164 Parking Services & Enforcement			(25,502)	(28,705)	(29,121)	(30,258)	(31,238)	(32,805)	(33,870)	(35,377)	(36,240)	(38,061)
Transport	7.2	1165	Waterfront Parking Services	Income	(1,099)	(1,132)	(1,166)	(1,109)	(1,232)	(1,276)	(723)	(744)	(767)	(790)
				Operating Costs	243	251	259	267	272	274	245	251	258	265
		Total - 1165 Waterfront Parking Services			[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	Total - 7.2 Parking				(26,358)	(30,586)	(31,783)	(31,100)	(32,198)	[illegible]	(34,348)	(35,870)	(37,348)	(38,586)
Total - 7 Transport					42,065	58,205	54,348	83,018	72,585	82,013	91,524	100,043	103,593	102,457

Strategy	Activity Group	Activity	Activity Description		Year 1 budget $000's	Year 2 budget $000's	Year 3 budget $000's	Year 4 budget $000's	Year 5 budget $000's	Year 6 budget $000's	Year 7 budget $000's	Year 8 budget $000's	Year 9 budget $000's	Year 10 budget $000's
Council	10.1	1186	Waterfront Commercial Property Services	Income	(2,338)	(2,425)	(2,492)	(2,567)	(2,637)	(2,710)	(2,797)	(2,874)	(2,954)	(3,037)
				Operating Costs	4,940	5,137	5,294	5,444	5,464	5,550	5,573	5,657	5,745	5,836
		Total - 1186 Waterfront Commercial Property Services			2,602	2,711	2,802	2,877	2,827	2,840	2,776	2,783	2,790	2,799
Council	10.1	1187	Commercial Property Management & Services	Income	(2,914)	(3,211)	(3,307)	(3,373)	(3,474)	(3,544)	(3,680)	(3,760)	(3,672)	(3,950)
				Operating Costs	5,447	5,583	6,727	7,219	7,915	8,571	8,348	8,376	8,502	8,295
		Total - 1187 Commercial Property Management & Services			2,534	2,372	3,420	3,846	4,441	5,027	4,668	4,616	4,830	4,345
Council	10.1	1190	Information Services SLA	Operating Costs	0	816	1,416	2,102	2,727	3,098	3,365	3,935	4,533	5,093
		Total - 1190 Information Services SLA			0	818	1,418	2,102	2,727	3,098	3,385	3,835	4,533	5,093
Council	10.1	1191	NZTA Income on Capex Work	Income	(27,830)	(27,578)	(25,293)	(32,209)	(36,574)	(33,166)	(32,465)	(33,327)	(32,197)	(34,652)
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1191 NZTA Income on Capex Work			(27,359)	(27,578)	(25,293)	(32,209)	(36,574)	(33,166)	(32,465)	(33,327)	(32,197)	(34,652)
Council	10.1	1193	Self Insurance Reserve	Operating Costs	1,576	1,616	1,650	1,697	1,730	1,762	1,793	1,827	1,862	1,896
		Total - 1193 Self Insurance Reserve			1,578	1,818	1,650	1,697	1,730	1,762	1,793	1,827	1,862	1,898
Council	10.1	1196	External Capital Funding	Income	(8,920)	0	0	0	0	0	0	0	0	0
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1196 External Capital Funding			(8,928)	0	0	0	0	0	0	0	0	0
Council	10.1	1197	Plimmer Bequest Project Expenditure	Income	0	0	(782)	(400)	(412)	0	0	0	0	(2,344)
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1197 Plimmer Bequest Project Expenditure			0	0	(782)	(400)	(412)	0	0	0	0	(2,344)
Council	10.1	1198	Waterfront Utilities Management	Income	(294)	(262)	(270)	(285)	(297)	(302)	(312)	(323)	(333)	(340)
				Operating Costs	694	656	1,072	1,159	1,244	1,261	1,327	1,371	1,417	1,457
		Total - 1198 Waterfront Utilities Management			400	394	802	871	947	978	1,015	1,047	1,084	1,118
Council	10.1	1200	ORG	Income	(412,399)	(449,516)	(494,524)	(531,566)	(559,261)	(578,084)	(597,915)	(619,336)	(633,913)	(643,909)
				Operating Costs	4,146	8,151	10,543	12,113	9,918	11,584	13,335	14,664	16,722	16,563
		Total - 1200 ORG			(408,254)	(441,365)	(483,981)	(519,453)	(549,343)	(566,500)	(584,580)	(604,672)	(616,192)	(625,346)
Council	10.1	1204	Sustainable Parking Infrastructure	Income	167	172	175	179	182	186	190	193	197	201
				Operating Costs	0	0	0	0	0	0	0	0	0	0
		Total - 1204 Sustainable Parking Infrastructure			167	172	175	179	182	186	190	193	197	201
	Total - 10.1 Organisational Projects				(434,753)	(461,055)	(499,702)	(541,461)	(573,478)	(585,779)	(602,899)	(623,588)	(638,292)	(648,621)
Total - 10 Council					(434,753)	(461,053)	(499,702)	(541,461)	(573,478)	(585,779)	(602,899)	(623,588)	(638,292)	(648,621)
Grand total					(5,220)	6,081	(16,152)	(38,443)	(48,893)	(17,667)	(34,631)	(41,352)	(45,112)	(38,316)

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Revenue and Financing Policy

Long-term Plan 2021-31

Revenue and Financing Policy

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Introduction

The Local Government Act 2002 (the Act) requires Councils to adopt a Revenue and Financing Policy that provides detail on the funding of operational and capital expenditure. This policy illustrates which parts of the community contribute to paying for Council's activities.

We have set out our policy under the following headings:

1. Policy statement on the funding of operating expenditure.
2. Policy statement on the funding of capital expenditure.
3. Setting the level of revenue from rates.
4. Council's application of the requirements of the Act.
5. The commercial and residential rating differential and the modifier.
6. Summary of operating revenue funding sources by activity.
7. Individual activity analysis by activity group.

1. Policy Statement on the funding of operational expenditure

Establishing the level of operating revenue required to fund operating expenditure

Operating expenditure pays for the Council's day-to-day operations and services, from collecting rubbish and providing street lighting to maintaining gardens and issuing building consents.

The Council will set its projected operating revenue at a level sufficient to meet the current year's projected operating expenditure, except where the Council resolves that it is financially prudent not to do so.

When setting projected operating revenue at a level that is different from the level of projected operating expenditure the Council will have regard to:

- The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the LTP, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
- The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
- The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.
- The funding and financial policies adopted under section 102 of the Local Government Act 2002.

In accordance with these principles, the Council has determined that the following items will not be funded:

Accounting for fair value changes:

Under Public Benefit Entity International Public Sector Accounting Standard, changes in the fair value of certain assets must be accounted for within the Statement of Comprehensive Revenue and Expense. In accordance with Section 100 of the Local Government Act 2002, the Council does not consider it financially prudent to fund changes in the fair value of assets or liabilities as these are essentially unrealised accounting adjustments.

Non-funding of depreciation on Council assets: The Council may elect not to fund all or part of the depreciation expenditure on specific assets in those circumstances where it is not financially prudent to do so. In accordance with section 100 of the Local Government Act 2002, the Council considers that it is not financially prudent to fund depreciation in the following circumstances:

- Where the original asset purchase was not funded by borrowings, or the original borrowings have been repaid, and
- Where, on an ongoing basis, the replacement of the asset at the end of its useful life will be funded by a third party, or
- Where the Council has elected not to replace the asset at the end of its useful life.

- Where a third party has a contractual obligation to either maintain the service potential of the asset throughout all or part of its useful life (or to replace the asset at the end of its useful life) and the Council already effectively funds this through operating grants/tariffs payable to the third party.

Non-funding of depreciation on waterfront assets: The Council transitioned the waterfront project 'in-house' during 2014/2015. This acquisition has necessitated a transition toward fully funding the depreciation of waterfront assets by 2026/27. This transition funding links the cost of funding to the benefits received over time.

Options available for funding Council services

The Council uses the following mechanisms to fund operational expenditure requirements:

- **General rates**. General rates are used to fund public goods where it is not possible and/or practical to clearly identify customers or users. This rate is also used where, for reasons of fairness, equity and consideration of the wider community good it is considered that this is the most appropriate way in which to fund an activity.

- **Targeted rates**. This form of rate is used where an activity benefits an easily identifiable group of ratepayers (such as the commercial or residential sectors) and where it is appropriate that only this group be targeted to pay for some or all of a particular service. For example, sewage disposal, water supply and the downtown targeted rate.

- **Fees and charges**. User charges are direct charges to people and/or groups who use certain Council services such as swimming pools. In these instances, an identifiable benefit exists to clearly identifiable people and/or groups and they are required to pay for all or part of the cost of using that service. It is noted that since 2006 Councils have been required to adjust all income and expenditure within their LTP in line with inflation. Where appropriate and with consideration to 'ability to pay' principals, user charges will be increased by the rate of inflation to achieve continued alignment with the proposed funding policy targets.

- **Grants and subsidies**. Grants and subsidies apply to some activities when income from external agencies is received to support that particular activity.

- **Borrowings**. In general Council does not fund operating expenditure by borrowing. The exception is to fund the impacts on ratepayer's intergenerational equity or to fund expenditure over the period which benefits are received, such as weathertightness payments. Any borrowings associated with these expenses will be repaid over time.

- **Other sources of funding**. The Council also funds operating expenditure from other sources, including income from interest, dividends from investments held by the Council, lease income and proceeds from asset sales. Other sources of funding include:

  Use of surpluses from previous financial periods
  Where the Council has recorded an actual surplus in one financial period it may pass this benefit on to ratepayers in a subsequent financial period. A surplus arises from the recognition of additional income or through savings in expenditure. Council considers that passing this benefit on to ratepayers in future financial periods improves the principle of intergenerational equity, in that any financial benefit is passed on to those ratepayers who shared the rates-funding burden in the financial period that the

surplus was generated.

The amount of any surplus carried forward from previous financial periods will be accounted for as an operating deficit in the year the benefit is passed on to ratepayers. A surplus will be available for use in future financial periods if the actual surplus/ (deficit) is improved when compared to the budgeted surplus/ (deficit). In calculating the level of surplus to be carried forward, consideration will be given to the nature of the factors giving rise to the surplus (for example, whether they are cash or non-cash in nature). Generally, only those factors that are cash in nature will be available for use in determining the level of surplus to be carried forward.

The Council will not carry forward surpluses in relation to:

- The sale of assets. Such surpluses shall be used for repayment of borrowings.
- Trust and bequest revenue. Such surpluses shall be applied in accordance with the terms on which they are provided.
- Revenue received for capital purposes. Such surpluses shall be retained to fund the associated capital expenditure.
- Unrealised gains arising from fair value adjustments to assets and liabilities. These gains are unrealised accounting adjustments in the period in which they are recognised.

Funding of expenditure from restricted or special funds
Certain operating and capital expenditure may be funded from restricted or special funds. Restricted and special funds are those reserves within the Council's equity that are subject to special 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 a third party.

Transfers may be made only for specified purposes or when specified conditions are met.

The following restricted and special funds are available for use by Council:

- *Self-insurance reserve*. The self-insurance reserve is used to fund any damages or losses that would otherwise be covered by the Council's insurance policies except for the fact that the Council has elected to set an insurance excess at a level greater than the damage or loss suffered. Each financial period the Council will provide, through funding from rates and levies, an amount intended to reimburse estimated damages or losses not otherwise covered by the Council's insurance policies. Actual expenditure incurred as a result of damages or losses where no claim is made under the Council's insurance policies as a result of the level of excess set will be transferred from retained earnings to the self-insurance reserve at the end of the financial period.

- *Trusts and bequests*. The Council is the recipient/holder of a number of trusts and bequests. These funds can only be used for the express purposes for which they were provided to the Council. Each year, the Council may expend money, of an operating or capital nature, from its trusts and bequests in accordance with the specified conditions of those funds. For the avoidance of doubt, the Council does not fund the expenditure from its trusts and bequests from any of the sources of operating revenue.

- *NZTA funding*. Each year the Council receives funding from NZTA as part of the overall replacement and renewal programme for the City's roading infrastructure. The Council recognises the funding as income in accordance with GAAP. As the funding is received for capital purposes, it cannot be used to offset the rates requirement. Therefore the Council shall recognise a surplus equivalent to the amount of NZTA funding for capital purposes, to be applied against funding the depreciation expense that results on completion of the associated asset.

- *Development contributions.* In accordance with the Council's Development Contributions Policy, development contributions are required to fund capital expenditure where development requires the construction of additional assets or increased capacity in network infrastructure, community infrastructure and reserves. Development contributions will result in an operating surplus being generated for the year. This shall flow through to a development reserve within the Council's equity.

- *Other reserves and ring-fenced funds*. Restricted funds also include other reserves, reserve purchase and development reserve, any sub-division development reserve and ring-fenced cumulative surpluses/deficits from City Housing and Marina Operations activities. Subject to meeting any specified conditions associated with these reserves the Council may expend money, of an operating or capital nature, from these reserves.

- *Regional amenities:* Local authorities in the Wellington region operate a regional amenities fund. The fund is a resource for entities that provide regional benefits in the arts, culture and environmental attractions and events sectors. The fund is a partnership between Wellington City Council, Hutt City Council, Upper Hutt City Council, Porirua City Council and Kapiti District Council. The fund ensures that regionally significant entities can be developed or sustained. The source of funds for Wellington City Council's contributions will be drawn in line with the activity rationale outlined in this policy. For example, any contribution to Te Papa from the Council as part of the regional amenities fund would be drawn from the sources outlined in section 4.1.7.

Having established its sources of operating revenue, the Council has determined that operational expenditure will be funded through the following mechanisms:

Operating expenditure Funding mechanism	Approximate proportion of funding for 2021/22
General Rate	**40%**
Targeted rates	
• Sewerage rate	9%
• Water rate	9%
• Stormwater rate	5%
• Base (residential)	2%
• Commercial sector	1%
• Downtown targeted rate	3%
• Business Improvement District and other minor rates	0%
Total targeted rates	**29%**
Total fees and charges	**21%**
Other sources	
• Ground and commercial lease	7%
• Dividends	0%
• Miscellaneous	3%
Total other income	**10%**

Note: Decisions on the use of other funding sources i.e. use of prior period surpluses, non-funded depreciation, special and other reserves are project-specific are made on an annual basis. In such circumstances, revenue from these sources reduces the level of funding provided through the General Rate.

2. Policy Statement on the funding of capital expenditure

Capital expenditure represents expenditure on property, plant and equipment. Property, plant and equipment are tangible assets that are held by the Council for use in the provision of its goods and services (for example: bridges, libraries, swimming pools), for rental to others or for administrative purposes, and may include items held for the maintenance or repair of such assets.

Capital expenditure is funded from depreciation, development contributions, capital funding, and restricted funds or through new or extended borrowings as outlined below:

- If the capital expenditure relates to the replacement (renewal) of an existing asset, that expenditure will be funded by depreciation. Funding for depreciation comes from rates. Any surplus depreciation, after paying for the replacement of Council assets, will be used to repay borrowings.
- If the capital expenditure relates to the construction or purchase of a new asset or to the upgrade or increase in service potential of an existing asset, that expenditure will usually be funded from new or extended borrowings. Borrowing is the most cost-effective and equitable way to do this as it spreads the cost of the asset over all the generations who will benefit from it, making it affordable to ratepayers today.
- On projects where on the basis of financial prudence, the Council considers it appropriate to do so, it may impose a targeted rate to repay borrowings on an asset at a faster rate than over the full life of the asset.
- The Council will use capital funding from third parties to fund investment in new or upgraded assets (e.g. funding received from NZTA).
- The funding of capital expenditure from the sale of surplus assets is decided on a case-by-case basis. Funds received from the sale of surplus assets that are not applied to the funding of capital expenditure shall be used to repay borrowings.
- The funding of capital expenditure from restricted or special funds is decided on a case-by-case basis and is subject to the specified purposes and conditions governing the use of those restricted funds.
- If an approved capital expenditure project is not completed by the end of the financial period, the unspent funds may be carried forward to the next financial period to enable the project to be completed.
    -
- The Council has agreed that Development Contributions are to be used as the primary funding tool for capital expenditure resulting from population and employment growth for water, wastewater, stormwater, roads, and reserves. The Council will continue to collect residual RMA based financial contributions on developments consented prior to 2005/06.

Capital expenditure Funding mechanism	Approximate proportion of funding for 2021/22
Rates funded depreciation	43%
NZTA transport subsidies	8%
External grants	2%
Development contributions	1%
Borrowings	46%

3. Setting the level of revenue from rates

The total level of revenue from rates will be established as the total revenue required to cover all projected operating expenditure after taking into account:

- The projected operating revenue from those sources of other revenue identified above.
- The level of operating surpluses carried forward from previous financial periods and agreed to by Council.
- The level of revenue received for capital purposes is (including development contributions) recognised as income for accounting purposes but required to be made available for the funding of capital expenditure.
- An amount equal to the level of depreciation expenditure on Council assets where the Council considers that it is not financially prudent to pass the funding requirement on to ratepayers.
- An amount equal to the level of reimbursement of the Council’s self-insurance reserve.
- An amount equal to the projected level of repayment of borrowings which funded operational expenditure e.g. the settlement of liabilities for weathertightness payments.
- Any other amount that the Council considers not financially prudent to pass (the funding requirement) on to ratepayers.

4. The Council's application of the requirements of the Act

This section shows how the operating expenditure associated with each of the Council's activities are funded through applying the requirements of section 101 (3) of the Local Government Act 2002. Our activity analysis is organised under the following headings:

- **Community outcome**. The Council has four community outcomes:
  - An innovative, inclusive and creative city innovative, inclusive and creative city
  - A dynamic and sustainable economy dynamic and sustainable economy
  - A people friendly, compact, safe and accessible capital city people friendly, compact, safe and accessible capital city
  - A sustainable, climate friendly eco capital sustainable, climate friendly eco capital

  We make reference to the community outcome to which each activity relates in our analysis.

- **Activity Area.** The Council's activity areas are consolidated into seven strategic areas in which we provide a service to the community. These are:
  - Governance
  - Environment
  - Economic development
  - Cultural wellbeing
  - Social and recreation
  - Urban development
  - Transport.

- **Activity Group.** The Council's activity groups are those areas in which we provide a service to the community. Our activity analysis starts with a statement of what activity we are assessing, and a brief description of the service provided by the Council.

- **Activity**. A summary of all operating projects that the Council delivers within a particular activity. Any one activity may have more than one operating project which, when combined, provides the total level of service provided by the Council.

- **Who Benefits?** This analysis looks at the benefits that flow from the activity to individuals, identifiable parts of the community and the community as a whole. The Council acknowledges that this analysis is in part subjective, and that it has used some basic principles to assist in its decision making.

  - When discussing benefits to the whole community, we are referring to all members, ratepayers and the general public of the city. Benefits to the whole community accrue when individual users cannot be easily identified or cannot be easily excluded from entry (such as the use of the Town Belt and other open spaces), or where the community in general derives benefit from our activities (such as the provision of citizen information and advice). While it is not possible to charge for some activities, it is also not appropriate to charge for certain activities that benefit the community as a whole. In instances such as these, it is considered appropriate that funding is predominantly provided through the general rate.

  - Where individuals or an identifiable part of the community can be identified, it is then possible to consider the use of targeted rates or user charges. Obvious examples of this include services such as pools and recreation centres, but also include activities such as our building consent and licensing services and many of our waste management services. In these instances, it is possible to exclude users who do not wish to use and pay for an activity. Those users who choose to pay accrue a particular level of service over and above that available to the community as a whole.

- **Who should pay?** This section of our analysis looks at a variety of factors that may influence our decision-making when establishing a final decision as to who should pay for an activity. Through this analysis it is possible for the nominal funding split derived under the Who Benefits? analysis to be 'modified' based on a consideration of factors including:

    - The period of benefit provided by each activity. For instance, investment in the city's roading and stormwater infrastructure provides a long-term and ongoing benefit to the city, whereas a one-off grant for a particular activity will typically be short-term and temporary in nature.

    - Whether or not there is an identifiable exacerbator who should pay ('polluter pays' principle).

    - The costs and benefits of distinct funding. This includes an assessment of how we fund each individual activity taking into account issues such as transparency and accountability, and the impacts of a chosen funding mechanism. For instance, where a service is deemed to be essential or very important in terms of contributing to the general health and wellbeing of the community, consideration will be given to ensuring that people are not excluded from access to the service because they cannot afford to pay.

    - The overall impact of the funding of the activity on the current and future social, economic, environmental and cultural well-being of the community.

While each of these areas were considered when assessing who should pay, not all were relevant to each activity, while some had more weight than others in relation to a certain activity.

- **Our funding targets**. This provides the final analysis of how we will fund our activities after consideration of the issues outlined under "Who should pay?"

5. The general rates differential

The general rate is split between the base differential rate, which applies to residential ratepayers, community organisations and rural land, and the commercial, industrial and business differential rate.

Historically, the Council has applied a modifier to alter the rates differential (the rates split) that decides the share of general rate paid by residents (base differential) and by businesses (commercial, industrial and business differential). In setting the level of the differential, the Council has considered the requirements of the Local Government Act and number of factors including:

- The benefits each sector derives
- The ability of ratepayers within each sector to pay
- The historic relationship between various groups of ratepayers and the existing level of the differential
- Ensuring any change to the differential, or rate of any change, does not impact unreasonably on any particular group of ratepayers
- To determine equity and fairness, the entire rating system for Wellington City must be considered and it is not appropriate to focus on the differential only
- The impact on the social, cultural, economic and environmental well-being of the community.

In 2021/22 the Council proposes no change in the rates differential. This means that a commercial sector ratepayer will contribute 3.25 times more to the general rate than residential ratepayer for each dollar of rateable property capital value.

6. Summary of operating expenditure funding by activity

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Governance	Governance, information and engagement	1.1.1	City governance and engagement	0%	0%	100%	100%	0%	0%	0%
		1.1.2	Civic information	5%	0%	95%	95%	0%	0%	0%
		1.1.3	City Archives	10%	0%	90%	90%	0%	0%	0%
	Maori and Mana Whenua partnerships	1.2.1	Maori and Mana Whenua partnerships	0%	0%	100%	100%	0%	0%	0%
Environment	Gardens, beaches and green open spaces	2.1.1	Local parks and open spaces	5%	0%	95%	95%	0%	0%	0%
		2.1.2	Botanical gardens	10%	0%	90%	90%	0%	0%	0%
		2.1.3	Beaches and coast operations	0%	0%	100%	100%	0%	0%	0%
		2.1.4	Roads open spaces	0%	5%	95%	95%	0%	0%	0%
		2.1.5	Town belts	0%	5%	95%	95%	0%	0%	0%
		2.1.6	Community environmental initiatives	0%	0%	100%	100%	0%	0%	0%
		2.1.7	Walkways	0%	0%	100%	100%	0%	0%	0%
		2.1.8	Biodiversity (pest management)	0%	0%	100%	100%	0%	0%	0%
		2.1.9	Waterfront Public Space	5%	0%	95%	95%	0%	0%	0%
		2.1.10	Berhampore Nursery	0%	0%	100%	100%	0%	0%	0%
	Waste reduction and energy conservation	2.2.1	Waste minimisation, disposal and recycling management	100%	0%	0%	0%	0%	0%	0%
		2.2.2	Closed Landfills Aftercare	0%	0%	100%	100%	0%	0%	0%
		2.2.3	Energy efficiency and conservation	0%	0%	100%	100%	0%	0%	0%
	Water	2.3.1	Water network	0%	0%	100%	0%	60%	40%	0%
		2.3.2	Water collection and treatment	0%	0%	100%	0%	60%	40%	0%
	Wastewater	2.4.1	Sewage collection and disposal network	5%	0%	95%	0%	60%	35%	0%
		2.4.2	Sewage treatment	0%	0%	100%	0%	60%	40%	0%
	Stormwater	2.5.1	Stormwater management	0%	0%	100%	0%	77.5%	22.5%	0%
	Conservation Attractions	2.6.1	Conservation Visitor Attractions	0%	0%	100%	100%	0.0%	0.0%	0%
Economic Development	City promotions and business support	3.1.1	Wellington Regional Economic Development Agency (WREDA) and Venues	0%	0%	100%	20%	0%	30%	50%
		3.1.2	Wellington Convention Centre	0%	0%	100%	60%	0%	0%	40%
		3.1.3	Retail support (free weekend parking)	0%	0%	100%	0%	0%	0%	100%
		3.1.4	Wellington Economic Initiatives Development Fund (WEID) and Economic Grants	0%	0%	100%	100%	0%	0%	0%
		3.1.5	Major Projects	0%	0%	100%	100%	0%	0%	0%
		3.1.6	International relations	0%	0%	100%	100%	0%	0%	0%
		3.1.7	Business Improvement Districts	0%	0%	100%	0%	0%	100%	0%
Cultural Wellbeing	Arts and Culture Activities	4.1.1	Galleries and museums (WMT)	0%	0%	100%	75%	0%	0%	25%
		4.1.2	Visitor attractions (Te Papa/Carter Observatory)	0%	0%	100%	30%	0%	0%	70%
		4.1.3	Arts and cultural festivals	0%	5%	95%	95%	0%	0%	0%
		4.1.4	Cultural grants	0%	0%	100%	0%	100%	0%	0%
		4.1.5	Access and support for community arts	0%	10%	90%	90%	0%	0%	0%
		4.1.6	Arts partnerships	0%	20%	80%	80%	0%	0%	0%
		4.1.7	Regional amenities	0%	0%	100%	100%	0%	0%	0%
Social and Recreation	Recreation promotion and support	5.1.1	Swimming Pools	30%	0%	70%	70%	0%	0%	0%
		5.1.2	Sportsfields	15%	0%	85%	85%	0%	0%	0%
		5.1.3	Recreation programmes	5%	0%	95%	95%	0%	0%	0%
		5.1.4	Recreation Centres	25%	0%	75%	75%	0%	0%	0%
		5.1.5	Recreation partnerships	0%	0%	100%	0%	100%	0%	0%
		5.1.6	Playgrounds	0%	0%	100%	100%	0%	0%	0%
		5.1.7	Marinas	100%	0%	0%	0%	0%	0%	0%
		5.1.8	Golf Course	30%	0%	70%	70%	0%	0%	0%
	Community support	5.2.1	Libraries	5%	0%	95%	95%	0%	0%	0%
		5.2.2	Access support (Leisure Card)	0%	0%	100%	100%	0%	0%	0%
		5.2.3	Community advocacy	0%	0%	100%	0%	100%	0%	0%
		5.2.4	Grants (Social and Recreation)	0%	0%	100%	100%	0%	0%	0%
		5.2.5	Housing	100%	0%	0%	0%	0%	0%	0%
		5.2.6	Community centres and halls	5%	0%	95%	0%	95%	0%	0%
	Public health and safety	5.3.1	Burials and cremations	50%	0%	50%	50%	0%	0%	0%
		5.3.2	Public toilets	0%	0%	100%	100%	0%	0%	0%
		5.3.3	Public health regulations	65%	0%	35%	35%	0%	0%	0%
		5.3.4	City safety	0%	0%	100%	100%	0%	0%	0%
		5.3.5	WREMO	0%	0%	100%	100%	0%	0%	0%
Urban Development	Urban planning, heritage and public spaces development	6.1.1	Urban planning and policy	0%	0%	100%	100%	0%	0%	0%
		6.1.2	Waterfront development	0%	0%	100%	100%	0%	0%	0%
		6.1.3	Public spaces and centres development	0%	0%	100%	100%	0%	0%	0%
		6.1.4	Built heritage development	0%	0%	100%	100%	0%	0%	0%
		6.1.5	Housing development	0%	0%	100%	100%	0%	0%	0%
	Building and development control	6.2.1	Building control and facilitation	65%	0%	35%	35%	0%	0%	0%
		6.2.2	Development control and facilitation	45%	0%	55%	55%	0%	0%	0%
		6.2.3	Earthquake risk mitigation - built environment	0%	0%	100%	100%	0%	0%	0%
		6.2.4	Regulator - Building Control and Facilitation Weathertight Homes	0%	0%	100%	100%	0%	0%	0%
Transport	Transport	7.1.1	Transport planning	0%	0%	100%	100%	0%	0%	0%
		7.1.2	Vehicle network	0%	5%	95%	95%	0%	0%	0%
		7.1.3	Cycle network	0%	5%	95%	95%	0%	0%	0%
		7.1.4	Passenger transport network	0%	80%	20%	20%	0%	0%	0%
		7.1.5	Pedestrian network	0%	5%	95%	95%	0%	0%	0%
		7.1.6	Network-wide control and management	15%	15%	70%	70%	0%	0%	0%
		7.1.7	Road safety	0%	20%	80%	80%	0%	0%	0%
		7.1.8	Lets Get Wellington Moving	0%	0%	100%	100%	0%	0%	0%
	Parking	7.2.1	Parking	100%	0%	0%	0%	0%	0%	0%

• 7. Individual activity analysis by key achievement area

Governance

Delivering confidence in civic decision-making

One of our key responsibilities is to ensure that decisions about the city are made in ways that are democratic and inclusive. This means making sure residents are kept informed about what we're doing, are able to have their say, and feel confident that their views and votes count.

Operating activities

The funding sources for this area are illustrated in the table below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Governance	Governance, information, and engagement	1.1.1	City governance and engagement	0%	0%	100%	100%	0%	0%	0%
		1.1.2	Civic information	5%	0%	95%	95%	0%	0%	0%
		1.1.3	City Archives	10%	0%	90%	90%	0%	0%	0%
	Maori and Mana Whenua partnerships	1.2.1	Maori and Mana Whenua partnerships	0%	0%	100%	100%	0%	0%	0%

Capital expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Governance capital expenditure projects are funded through a combination of rates funded depreciation and borrowings.

Governance – activity commentary

1.1 Governance, Information and Engagement

ACTIVITY 1.1.1: CITY GOVERNANCE AND ENGAGEMENT

This covers our decision-making and accountability processes. It includes managing the local elections every three years, and holding meetings of the Council and its committees. It also includes developing plans and strategies to promote the city's well-being, such as the Annual Plan and Long-term Plan.

Community outcome
This activity contributes to the following community outcome:

- *A people friendly, compact, safe and accessible capital city* **–** it enhances trust and confidence in civic decision-making and encourages the community to participate in city governance.

Who benefits?

Whole community	100%

The whole community benefits from this activity. Policy formulation, consultation and planning are essential Council services. They enable elected members to set policies and manage resources to benefit the whole community. Along with elections, they also allow people to influence the Council. These decision-making and accountability processes enhance residents' well-being by improving the quality of Council decisions and by giving them a sense of empowerment arising from the fact they can have their voices heard.

Who should pay?	
Whole community	100%

Since this activity benefits the community as a whole, the fairest and most effective way to fund it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 1.1.2: CIVIC INFORMATION

This activity provides for the community to easily access Council information and services such as the Council's 24 hour call centre, the city's service centres, and maintenance of the property system. It also includes the cost of the contract for valuation services.

Community outcome
This activity contributes to the following community outcome:

- *A people friendly, compact, safe and accessible capital city* **-** providing information about the city and its services allows people to use the city's facilities and provides access to information.

Who benefits?	
Whole community	50%
Individuals/Users	50%

The whole community benefits from this activity. Providing information and services to the community and having points of contact where residents can contact us are essential Council services. They enable Council to rapidly respond to information received from the public regarding service problems and other customer feedback.

Individuals may also benefit from access to Council information like valuation and property systems. But these remain core components of the Council's ratings systems and are utilised by the Greater Wellington Regional Council.

Who should pay?	
Individuals/Users	5%
Identifiable part of the community	5%
Whole community	90%

The Council receives revenue from the Greater Wellington Regional Council for access to our property and valuation databases. This data sharing arrangement provides cost savings for both organisations.

Although individuals receive significant benefits from this activity and it would be possible to increase user fees, the Council believes the benefit to the community as a whole out-weighs this. For the city to run efficiently it is important there is a constant two-way flow of information and the Council does not wish to limit this with the introduction of further charges. It is therefore appropriate that this activity is mostly funded by the general rate.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 1.1.3: CITY ARCHIVES

This activity covers the operations of and community access to the City Archives.

Community outcome
This activity contributes to the following community outcome:

- *A people friendly, compact, safe and accessible capital city* **–** the City Archives is a guardian of Wellington's memory. It preserves and makes available a huge range of primary information about the city's history. This is valuable for historians, genealogists, students and other members of the public. It is also valuable for businesses and property owners.

Who benefits?	
Whole community	50%

Individuals/Users	50%

The whole community benefits from this activity. Maintaining the City Archives collection for posterity and ensuring that it can be easily accessed is an important community service. The City Archives contribute to our understanding of the past and to forging a strong local community – it contributes to our sense of place.

Individuals who choose to use the City Archives can be seen to benefit directly from their access to the collection. The collection is used for private study and for research. Staff support people using the Archives, including assistance with searching and providing reproductions, and promoting the wider use and access of our collections.

Who should pay?	
Whole community	90%
Individuals/Users	10%

Although the individuals that access the collection receive benefits from this activity, the Council believes that preserving aspects of the city's past are of significant benefit to the community as a whole.

Nevertheless it is considered appropriate that individual users should bear a small cost for any staff research and associated copying costs that they may generate.

Our funding targets: operating expenses	
User charges	10%
Other revenue	0%
Targeted rate	0%
General rate	90%
Total	100%

1.2 Māori and Mana Whenua Partnerships

ACTIVITY 1.2.1: MĀORI AND MANA WHENUA PARTNERSHIPS

The Council recognises and acts on its obligations under the Treaty of Waitangi (Te Tiriti) and its specific responsibilities under the Local Government Act and other legislation. We foster partnerships with Mana Whenua (local Iwi) and consultation relationships with the wider Māori community. The relationship between the Council and Māori is supported by a dedicated directorate which provides us with advice and administrative support on Te Tiriti-based relationships.

Community outcome
This activity contributes to the following community outcome:

- *A people friendly, compact, safe and accessible capital city* - this activity promotes inclusiveness**,** celebrates social and cultural diversity and enables us to respond to the needs and aspirations of Māori. Our work aims to enhance the visibility of Māori culture and history in the city by telling the story of Wellington's Māori.

Who benefits?	
Whole community	50%
Individuals/Users	50%

The benefits of this activity are equally spread between the whole community and the Council's Mana Whenua partners. Mana Whenua partners benefit by having a direct input into Council decisions and therefore the future direction of the city. The community benefits because the partnership leads to better understanding and cooperation between local Māori and the wider community. These benefits contribute to the general cultural, economic, social and environmental wellbeing of the city.

Who should pay?	
Whole community	100%

Māori have a unique relationship with Council as 'tangata whenua' and through their ancestors as a partner to the signing of Te Tiriti. The benefits of the relationship and activity accrue to both Māori and the whole community, and as such it is appropriate for this activity to be funded from general rates.

Our statutory 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 his unique relationship can bring to the city both domestically and internationally.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%

Total	100%

Environment

Protecting and enhancing our natural environment

Under this area of activity we seek to protect and enhance our natural environment. Wellington is a city shaped by nature. From bush-clad hills to sparkling harbour to rugged coastline, the city's unique character derives from the land. As the city grows, the challenge is to preserve this natural beauty and drama. Part of protecting the environment is looking after the city's water supply, rubbish and recycling operations, and sewage and stormwater networks. This is by far our biggest area of operation.

Operating activities

The funding sources for this area are illustrated in the table below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Environment	Gardens, beaches and green open spaces	2.1.1	Local parks and open spaces	5%	0%	95%	95%	0%	0%	0%
		2.1.2	Botanical gardens	10%	0%	90%	90%	0%	0%	0%
		2.1.3	Beaches and coast operations	0%	0%	100%	100%	0%	0%	0%
		2.1.4	Roads open spaces	0%	5%	95%	95%	0%	0%	0%
		2.1.5	Town belts	0%	5%	95%	95%	0%	0%	0%
		2.1.6	Community environmental initiatives	0%	0%	100%	100%	0%	0%	0%
		2.1.7	Walkways	0%	0%	100%	100%	0%	0%	0%
		2.1.8	Biodiversity (pest management)	0%	0%	100%	100%	0%	0%	0%
		2.1.9	Waterfront Public Space	5%	0%	95%	95%	0%	0%	0%
		2.1.10	Berhampore Nursery	0%	0%	100%	100%	0%	0%	0%
	Waste reduction and energy conservation	2.2.1	Waste minimisation, disposal and recycling management	100%	0%	0%	0%	0%	0%	0%
		2.2.2	Closed Landfills Aftercare	0%	0%	100%	100%	0%	0%	0%
		2.2.3	Energy efficiency and conservation	0%	0%	100%	100%	0%	0%	0%
	Water	2.3.1	Water network	0%	0%	100%	0%	60%	40%	0%
		2.3.2	Water collection and treatment	0%	0%	100%	0%	60%	40%	0%
	Wastewater	2.4.1	Sewage collection and disposal network	5%	0%	95%	0%	60%	35%	0%
		2.4.2	Sewage treatment	0%	0%	100%	0%	60%	40%	0%
	Stormwater	2.5.1	Stormwater management	0%	0%	100%	0%	77.5%	22.5%	0%
	Conservation Attractions	2.6.1	Conservation Visitor Attractions	0%	0%	100%	100%	0.0%	0.0%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Environmental capital expenditure projects are funded through a combination of NZTA subsidies, rates funded depreciation, and borrowings.

Environment – activity commentary

2.1 Gardens, Beaches and Green Open Spaces

ACTIVITY 2.1.1: LOCAL PARKS AND OPEN SPACES

The Council owns and looks after the city's parks and reserves, horticultural plantings and street trees. We aim to provide a high-amenity, safe open space environment that gives people a wide range of recreation opportunities. Our work includes the upkeep of gardens, grass areas, trees, sports pavilions and other buildings on reserve land, park furniture and infrastructure. (For information on sports fields, see activities 5.1.2).

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – local parks and open spaces enhance Wellington's unique 'sense of place', making it a great place to live, work and play.

- *An innovative, inclusive and creative city* - accessible and high quality natural and green environments encourage people to gather together, share activities and connect with each other.

- *A dynamic and sustainable economy* - high quality natural and green environments protect and enhance our biodiversity and contribute to off-setting our carbon emissions.

Who benefits?	
Whole community	90%
Individuals/Users	10%

The city's parks and reserves benefit the whole community. They give all residents and visitors access to high-quality open spaces for a wide range of recreation activities, such as walking or mountain biking. This encourages healthy lifestyles. They also make the city's environment greener and more pleasant for all residents and provide focal points for communities. This not only improves quality of life but also adds to people's sense of pride in the city and makes it an attractive place to live and visit.

While those who choose to use the city's open spaces receive a direct benefit, they cannot be readily identified or excluded from these areas. From time to time our park pavilions are leased to sports and community groups who benefit from their exclusive use.

The provision of parks and reserves brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

Who should pay?	
Whole community	95%
Individuals/Users	5%

Since the community as a whole is the main beneficiary from this activity, it should bear most of the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of parks and reserves and the opportunity for residents to use them for recreational activities.

The exception is the lease of park pavilions to sports and community groups. In these situations, the group concerned receives an exclusive benefit and therefore should bear a share of the cost. While our analysis suggests these groups receive 10 percent of the benefit, we have decided they should bear only 5 percent of the cost. This is because the Council wants to ensure that the pavilions are not priced out of reach of these groups. We want to see high levels of participation in recreation activities and encourage people to use the city's open spaces, and we believe raising user charges on the parks and pavilions could work against that outcome.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 2.1.2: BOTANICAL GARDENS

Wellington has four botanic gardens: Wellington Botanic Garden, Otari-Wilton's Bush, Bolton Street Cemetery and Truby King Park (Melrose). The Council maintains these gardens with the help of community groups and trusts that provide voluntary guides, fund new development and carry out practical work such as planting.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – Botanical Gardens enhance Wellington's unique 'sense of place'
- *An innovative, inclusive and creative city* – the botanical gardens encourage people to gather together, share activities and connect with each other.
- *A dynamic and sustainable economy* - the botanical gardens enhance our biodiversity and contribute to off-setting our carbon emissions.
- *A dynamic and sustainable economy* – the Botanic Garden is accessible within minutes from the central business district, is important for residents' quality of life, and attracts visitors.

Who benefits?	
Whole community	90%

Individuals/Users	10%

The city's four botanic gardens benefit the whole community. They are of international quality, providing residents and visitors with access to open spaces for recreation and relaxation, as well as opportunities to learn. They play a valuable conservation role, preserving native and exotic plants. By attracting visitors to Wellington they help its economy, and by making the city's environment more pleasant for all residents they improve quality of life and add to people's sense of pride in the city.

While those who choose to use the gardens receive the most direct benefit, in most instances these people cannot be identified and nor can they be excluded from these areas.

The gardens do provide a few services which exclusively benefit individual people or organisations. These include:

- the retail shop and cafe at the Begonia House in the Botanic Garden
- function rooms/facilities at Begonia House, Treehouse and Otari-Wilton's Bush
- sale of plants at the Otari-Wilton's Bush annual open day
- lease of a house at Truby King Park to Conservation Volunteers and lease of 2 other properties to private tenants (non-profit organisations)
- provision of memorial seats in the Botanic Gardens.

The gardens also provide educational seminars and programmes which have some private benefit. The newly established Discovery Garden opened in 2017. It is a living classroom, and its role is to provide environmental and botanical awareness for visitors and residents with a strong focus on children. However, as these programmes help people learn about the environment, the Council believes the principal benefit is to the community as a whole.

The provision of the botanic gardens brings long-term benefits to the city, which is reflected in the Council's commitment to fund them on an ongoing basis.

Who should pay?	
Whole community	90%
Individuals/Users	10%

Since the principal benefits of the city's botanic gardens are to the community as a whole, it is appropriate for general ratepayers to bear the majority of costs. The Council views the gardens as public amenities and is committed to maintaining free public access.

These costs are offset by some income-generating activities (as above). These are generally commercial activities; the beneficiaries include souvenir hunters, tourists and groups renting function rooms and education institutes. It is appropriate that these activities are carried out on a user-pays basis.

Our funding targets: operating expenses	
User charges	10%
Other revenue	0%
Targeted rate	0%
General rate	90%
Total	100%

ACTIVITY 2.1.3: BEACHES AND COAST OPERATIONS

A well maintained coast, with strong natural values and secure structures, is important for public safety and enjoyment. The Council is responsible for the upkeep of many of the city's wharves, breakwaters, jetties and public boat ramps, as well as the Carter Fountain in Oriental Bay.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – Wellington's beaches and coastal areas provide high quality natural environments for leisure and recreation.

Who benefits?	
Whole community	100%

Wellington's coastline is a distinct part of the city's identity. By ensuring people have safe access to the coast, the Council is increasing the range of recreation opportunities available to people and encouraging healthy lifestyles, as well as protecting public safety. By beautifying the coast and protecting it from erosion, the Council is enhancing the city's environment, improving quality of life and adding to people's sense of the city as an attractive place to live.

While those who use the city's wharves, jetties and breakwaters receive a direct benefit, in most instances these people cannot be identified. Nor can they be excluded from using the coast. The one exception is boat ramps, which directly benefits an identifiable part of the community: recreational boat users. However, the Council regards these facilities as part of its provision of safe, secure access to the coast and encouraging outdoor recreation.

The Council's work on the city's beaches and coastline brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

Who should pay?	
Whole community	100%

Since the whole community benefits from this activity, it is appropriately funded through general rates.

This activity also derives modest rents from club houses on or adjacent to beaches and that revenue is reflected here.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.1.4: ROADS OPEN SPACES

Roads that are clean and have clear edges help to make the city attractive and safe. We look after the city's roadside plants, removing or pruning hazardous or overgrown vegetation, spraying weeds and supplying free plants to residents to plant on road reserves. We also clean city and residential streets, empty rubbish bins in the central city and remove spills and litter.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – our road network safely and efficiently accommodates more than 40,000 people driving around the city each day, for work and recreation. Our pedestrian and cycle networks deliver the same outcomes for more than 25,000 walking and cycling commuters each day.

Who benefits?	
Whole community	100%

Management of roadside vegetation reduces hazards and makes the road corridor safe and accessible for vehicles and pedestrians. It improves sight lines for drivers, maintains clearance from overhead utilities and prevents growth from blocking natural run off channels or damaging structures such as retaining walls.

This work benefits anyone who lives in or moves around the city by ensuring that footpaths, roadside verges and open spaces are safe and attractive. It helps to maintain the city's environment and residents' safety, health and enjoyment of their surroundings.

Who should pay?	
Whole community	95%
Identifiable part of the community	5%

Because the community as a whole benefits, the fairest approach is to fund costs in this activity from general rates.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by

Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the roads open spaces activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 2.1.5: TOWN BELTS

Wellington's Town Belt, Outer Green Belt and reserves offer fantastic recreation venues for the public, but they need a lot of care. The Council manages the Town Belt, the Outer Green Belt and other reserves to ensure they are maintained to high standards. This includes custodial duties, operational planning and implementation, hazardous tree management, leases and licenses and reserve upgrade projects.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – a high quality natural environment enhances the city's unique 'sense of place' and provides attractive, safe and accessible opportunities for leisure and recreation.

- *A dynamic and sustainable economy* - the Town Belt enhances our biodiversity and contributes to off-setting our carbon emissions.

Who benefits?	
Whole community	100%

The Town Belt and Outer Green Belt benefit the whole community. They give all residents and visitors access to high-quality open spaces for recreation activities, encouraging healthy lifestyles. They also make the city's environment greener and more pleasant for all residents, and provide focal points for communities. This not only improves quality of life but also adds to people's sense of pride in the city and makes it an attractive place to live, play and visit.

While those who choose to use the Town Belt and Outer Green Belt receive a direct benefit, in most instances these people cannot be practically identified and nor can they be excluded from these areas.

The provision of the Town Belt and Outer Green Belt brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

Who should pay?	
Whole community	100%

Since the community as a whole benefits from the provision of the Town Belt and Outer Green Belt, it should bear the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of these open space areas and the opportunity for residents to use them for recreational activities.

Through this activity we receive modest revenue from the rental we charge for leasing buildings, ground leases, or licenses on reserve land.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 2.1.6: COMMUNITY ENVIRONMENTAL INITIATIVES

This activity covers initiatives that directly support the community's engagement in advancing environmental well-being. The Council provides grants for projects that promote environmental sustainability or greater understanding of environmental issues. It also provides for training and capacity building of volunteers working on environmental projects throughout the City and environmental research and monitoring.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – community environmental initiatives improve the quality of our natural environment, making the city a better place to live, work and play.
- *An innovative, inclusive and creative city* – by supporting community environmental initiatives we support bringing people together and encouraging community spirit.
- *A dynamic and sustainable economy* – community environmental initiatives raise awareness of environmental issues and improve environmental outcomes.

Who benefits?	
Whole community	100%

This activity benefits the community as a whole. While individuals or groups can apply for the grants, the work they fund helps enhance the environment and provides educational benefits for all city residents.

The activity has long-term benefits, as the projects it funds are aimed at ensuring future generations can enjoy a cleaner and more pleasant environment.

This work contributes directly to the Council's long term goal of pursuing a collaborative, participatory approach towards environmental kaitiakitanga (guardianship), by sharing information within the community and establishing partnerships to achieve environmental goals.

Who should pay?	
Whole community	100%

Since this activity benefits the community as a whole, the fairest and most effective way to fund it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.1.7: WALKWAYS

The Council encourages public use of the Town Belt and reserves, and recognises that tracks are important for people's access to and enjoyment of the city's bush and open spaces. Tracks also contribute to the integration of active transport modes throughout the city. We currently maintain over 300km of track.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – walkways allow residents to explore Wellington's beautiful natural environment improving the quality of life of the city's residents

- *An innovative, inclusive and creative city* – walkways provide attractive, safe and accessible opportunities for leisure and recreation, connecting people with each other and the environment.

Who benefits?	
Whole community	100%

The whole community benefits from the Council's provision of walkways. The walkways give all residents and visitors access to the Town Belt and reserves, encouraging them to enjoy the city's bush and lead healthy lifestyles. They also provide key linkages to transport modes throughout the city.

While those who choose to use the walkways receive a direct benefit, in most instances these people cannot be practically identified and nor can they be excluded from these areas.

The provision of walkways brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

Who should pay?	
Whole community	100%

Since the community as a whole benefits from the provision of the walkways, it should bear the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of the walkways and the opportunity for residents to use them.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.1.8: BIODIVERSITY (PEST MANAGEMENT)

The Council runs programmes to control and manage pest animals and weeds on the 4,000 plus hectares of open space land we own and manage. Our programmes align with the Central Government Predator Free 2050, an ambitious goal to rid New Zealand of the most damaging introduced predators that threaten our nation's natural taonga, our economy and primary sector.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – protecting biodiversity improves the quality of our natural environment, making the city a better place to live, work and play.

- *A dynamic and sustainable economy* – pest management is important for biodiversity and protects native fauna and flora.

Who benefits?	
Whole community	100%

This activity benefits the whole community by helping ensure the city's open space land is safe and pleasant to use. While there are direct benefits to those who choose to use the city's open spaces, these people cannot easily be identified or excluded from using those areas. There may also be benefits to certain communities within the city – for example, a programme to eradicate pest animals from a particular suburb – but, in general, the benefits of this activity are to the community as a whole.

This activity has long-term benefits. For example, eliminating a pest from an area means future generations are less likely to have to deal with the problems that pests cause. The work aids the health of the environment by protecting and restoring land, water-based ecosystems to sustain their natural processes, and to provide habitats for a range of indigenous and non-indigenous plants and animals.

The long-term nature of these benefits is reflected in the Council's decision to fund this activity on an ongoing basis.

Who should pay?	
Whole community	100%

This activity benefits the community as a whole. Therefore, the fairest and most effective way of funding it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.1.9: WATERFRONT PUBLIC SPACE

This activity relates to the management and maintenance of the public space on the Wellington Waterfront, and includes the operation and maintenance of a wide range of assets which includes wharves, seawalls, bridges, parks, promenades, laneways and lighting.

Community outcome
This activity contributes towards the following outcomes:

- *A dynamic and sustainable economy* – the waterfront is readily accessible and is a very important area of the central city. An attractive, clean and safe waterfront will undoubtedly contribute to a dynamic centre, is important for resident's quality of life and attracts visitors to Wellington.

- *A people friendly, compact, safe and accessible capital city* – a clean inner harbour and waterfront area enhance Wellington's unique 'sense of place', making it a great place to live.

Who benefits?	
Whole community	80%
Individuals/Users	20%

The city's waterfront area benefits the whole community. Access to the waterfront and the open spaces near the harbour is generally unrestricted and available to all – residents and visitors alike. A clean and vibrant waterfront area encourages healthy lifestyles and makes the city's environment more pleasant for all residents. This not only improves quality of life but also adds to people's sense of pride in the city and makes it an attractive place to live and visit.

An activity that occurs on the waterfront that provides direct identifiable benefit is the weekly Underground Market and Harbourside Market. This activity does provide a private benefit and the user is charged directly.
The provision of public spaces on the waterfront brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

Who should pay?	
Whole community	90%
Individuals/Users	10%

With the exception of the provision of market stalls, the community as a whole is the main beneficiary from this activity, it is appropriate for general ratepayers to bear the majority of the costs.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 2.1.10: BERHAMPORE NURSERY

The Council operates Berhampore Nursery to grow eco-sourced native plants to support Council's restoration programme across Wellington gardens, parks and reserves, and to support community restoration programmes. Restoration planting improves our biodiversity and the health of our city. The provision of eco-sourced plants ensures we grow and use plants that would have originally occurred in the ecosystem keeping the distinctiveness of Wellington's local flora.
The nursery also provides a brokering service for plants for roadside gardens, parks maintenance and urban design projects.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – enhancing our biodiversity improves the quality of our natural environment, making the city a better place to live, work and play.

- *An innovative, inclusive and creative city* - high quality natural and green environments encourage people to gather together, share activities and connect with each other.

- *A dynamic and sustainable economy* - environmental initiatives like planting and restoration raise awareness of environmental issues and ensure ongoing protection and restoration.

Who benefits?	
Whole community	100%

This activity benefits the community as a whole. While individuals or groups can apply for plants through restoration planting schemes, planting eco-sourced natives throughout the city's parks and open spaces, helps enhance the city's green environment and provides benefits for all city residents. The work aids the health of the environment and makes the city's environment greener and more pleasant for all residents and provides a connection to nature.

The long-term benefits of this activity are reflected in the Council's decision to fund this on an ongoing basis.

Who should pay?	
Whole community	100%

This activity benefits the community as a whole. Therefore, the fairest and most effective way of funding it is from general rates.

However, a small percentage of our costs are covered through revenue from external sales through environmental trusts or community groups. The amount varies year to year and is dependent on these groups gaining grant funding, therefore is unpredictable.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

2.2 Waste Reduction and Energy Conservation

ACTIVITY 2.2.1: WASTE MINIMISATION, DISPOSAL AND RECYCLING MANAGEMENT

The Council operates the Southern Landfill. As well as the day-to-day management of the landfills, we are involved in landscaping, erosion control, resource consent compliance and water quality monitoring. The Council also collects refuse and household hazardous waste which is sent for safe disposal. This ensures hazardous wastes such as oils and solvents do not contaminate the landfills.

We encourage recycling by providing most residents with recycling bins and bags for weekly kerbside collection.

Our waste minimisation activities include the Tip Shop, where people can drop off unwanted items for reuse and resale, commercial composting operations, grant funding for new initiatives, and various waste minimisation education programmes.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - collaboration between the Council and the community to reduce waste and increase recycling promotes community ownership of sustainable management of the environment.

- *A dynamic and sustainable economy* - reduced waste and increased waste recycling and organic composting minimises the use of landfills and promotes the sustainable management of resources.

Who benefits?	
Whole community	10%
Individuals/Users	90%

People using the landfills receive the main benefit from this activity, as they are able to dispose of their waste in a safe and efficient manner that also ensures the harm to the environment is kept to a minimum.

There are also benefits to the whole community. Without the landfills, people would have nowhere safe to dispose of their waste. That would clearly pose a major hazard to public health and harm the city's environment.

The direct beneficiaries of our waste minimisation services, including recycling are the householders who have recyclable goods collected or who use our recycling stations and Tip Shop drop off. These people are able to dispose of their recyclable and reusable waste in a safe, efficient and environmentally-friendly manner.

The whole community receives the environmental benefits from having less waste deposited in landfills.

Who should pay?	
Individuals/Users	100%

Though the benefits of this activity are split between the community and individuals, the Council believes it is appropriate for users of the city's landfills to bear the costs. The Council believes it is appropriate to take a "polluter pays" approach to its solid waste operations, meaning landfill fees should be set at levels that discourage waste. This approach is justified by the significant benefits to the city's environment from reducing the amount of waste dumped in landfills.

Our funding targets: operating expenses	
User charges	100%

Other revenue	0%
Targeted rate	0%
General rate	0%
Total	100%

ACTIVITY 2.2.2: CLOSED LANDFILLS AFTERCARE

We provide aftercare of our closed land fill sites. Most have been repurposed as recreational fields, jointly managed with Parks, Rec and Sports. We have an ongoing obligation to ensure these areas remain safe to use for the public and to minimise any environmental impact of these legacy landfills.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – the majority of closed landfills are green open spaces enjoyed by local communities for leisure and recreation. Looking after these sites provides a valuable community asset for community enjoyment.

Who benefits?	
Whole community	100%

This activity benefits the whole community. Without the safe management of the closed landfills, it would potentially pose a major hazard to public health and harm the city's environment.

The whole community receives the environmental benefits from having close and safe management of the cities closed landfills

Who should pay?	
Whole community	100%

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 2.2.3: ENERGY EFFICIENCY AND CONSERVATION

One of the Council's long term aims is for it and Wellington to be more sustainable – as reflected in our strategies like Wellington Towards 2040: Smart Capital, Wellington Resilience Strategy, and Low Carbon Capital. This means that Wellington will reduce its environmental impact by making efficient use of energy, water, land and other resources; shifting towards renewable energy resources; conserving resources; and minimising waste. Our immediate focus is on three pillars of activity – Greening Wellington's growth, Changing the way we move, and Leading by example. Each of these areas contributes to making either the Council itself or the whole community more sustainable.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - developing funding partnerships with key stakeholders to improve the resilience, sustainability and the quality of life of Wellington residents. Facilitating home energy evaluations through our Home Energy Saver programme to meet people where they are – at home – is a core part of supporting people to make sustainable decisions.

- *A dynamic and sustainable economy* - a focus on energy efficiency and fuel switching for the city's households and business will reduce costs and reduce its greenhouse gas emissions. Developing partnerships to deliver on the varied outcomes of the Resilience Strategy and Low Carbon Capital – including electric vehicle charging, car sharing and renewable energy will be crucial for the Council's A dynamic and sustainable economy aspirations.

- *A dynamic and sustainable economy* - facilitating construction of Green Star-rated buildings in the city centre, energy efficiency retrofits of central city office buildings and businesses as well as the uptake of emerging 'green' technologies will allow Wellington to showcase its A dynamic and sustainable economy credentials.

Who benefits?	
Whole community	100%

The whole community benefits from the Council's commitment to and promotion of sustainability. By definition the work is of benefit to current and future generations. By reducing environmental impacts and making more efficient use of existing resources more opportunities will be open to the whole community in the future.

Who should pay?	
Whole community	100%

Since the community as a whole benefits from this activity, it is considered appropriate that it be funded from the general rate.

Our funding targets: operating expenses	
User charges	0%

Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

2.3 Water

ACTIVITY 2.3.1: WATER NETWORK

The Council owns a water network of over 80 reservoirs, 30 pumping stations, more than 7,000 hydrants and about 900 odd kilometres of underground pipes. We maintain this network to ensure Wellingtonians have high-quality drinking water available at all times. Our work includes monitoring water quality to ensure it meets the required standards, and cleaning reservoirs and pipes.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - a reliable and adequate supply of clean and safe water is critical for the health, well-being and prosperity of all residents.

- *An innovative, inclusive and creative city* - a reliable and adequate supply of clean and safe water is a core requirement of an innovative, inclusive and creative city in the 21st century.

Who benefits?	
Whole community	25%
Identifiable parts of the community	75%

Water supply is a fundamental Council service. Residents need clean drinking water, as well as water for washing. Water is also vital for industry and commerce. The benefits to commercial users are entirely private and exclusive. The benefits to individual people are mainly private, but there are also significant benefits to the community as a whole in terms of public health and safety, and economic well-being.

Who should pay?	
Identifiable parts of the community: Base (residential) sector	60%
Commercial sector	40%

While it is recognised that there is a whole community benefit from the provision of the water supply activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties connected to the public water supply.

The division of costs between the two sectors is based on a water consumption split, modified on the basis of the additional maintenance and service response required in the commercial sector, to a 60% residential 40% commercial split.

The 60% residential share is funded through a targeted rate. The majority of properties (those that do not have a water meter) are charged a fixed amount, to reflect the fixed cost component of funding these activities, with the balance of the sector share funded through a rate per dollar of capital value. Those properties that have elected to have a water meter contribute to the targeted rate through a consumption charge.

The 40% of costs funded through the Commercial sector is drawn from a targeted rate primarily through a consumption charge per cubic metre of water consumed. The balance of commercial properties without a water meter, pay their share of the targeted rate through a rate per dollar of capital value.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential 60%, Commercial 40%)	100%
General rate	0%
Total	100%

ACTIVITY 2.3.2: WATER COLLECTION AND TREATMENT

We buy water for the city in bulk from the Greater Wellington Regional Council. The regional council treats the water at four sites in the Hutt Valley – Te Marua, Waterloo, Gear Island and Wainuiomata – to ensure it meets New Zealand drinking water standards. We pay based on how much water the city uses. Some of our costs are recovered from customers with water meters, while the rest is covered by water rates. Responsibility for water supply is vested in the Council under the Local Government Act.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - a reliable and adequate supply of clean and safe water is critical for the health, well-being and prosperity of all residents.

- *An innovative, inclusive and creative city* - a reliable and adequate supply of clean and safe water is a core requirement of a An innovative, inclusive and creative city in the 21st century.

Who benefits?	
Whole community	25%
Identifiable parts of the community	75%

Water supply is a fundamental Council service. Residents need clean drinking water, as well as water for washing. Water is also vital for industry and commerce. Though water supply is essential in a modern city, the benefits are largely private.

There is also some benefit to the community as a whole from the Council's provision of clean, drinkable water. This includes public health benefits, provision of water for fire-fighting, and the benefits of a reliable water supply for the economy.

Who should pay?	
Identifiable parts of the community:	

Base (residential) sector	60%
Commercial sector	40%

While it is recognised that there is a whole community benefit from the provision of the water supply activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties connected to the public water supply.

The division of costs between the two sectors is based on a water consumption split, modified on the basis of the additional maintenance and service response required in the commercial sector, to a 60% residential 40% commercial split.

The 60% residential share is funded through a targeted rate. The majority of properties (those that do not have a water meter) are charged a fixed charge, to reflect the fixed cost component of funding these activities, with the balance of the sector share funded through a rate per dollar of capital value. Those properties that have elected to have a water meter contribute to the targeted rate through a consumption charge.

The 40% of costs for activities funded through the Commercial sector is drawn from a targeted rate primarily through a consumption charge of per cubic metre of water consumed and an administration fee. The balance of commercial properties without a water meter, pay their share of the targeted rate through a rate per dollar of capital value.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential 60%, Commercial 40%)	100%
General rate	0%
Total	100%

2.4 Wastewater

ACTIVITY 2.4.1: SEWAGE COLLECTION AND DISPOSAL NETWORK

The Council is responsible for more than 1,000 kilometres of sewer pipes and tunnels, of which almost half are over 50 years old. The sewage network also includes 62 pumping stations which need regular maintenance and ultimately replacement once they have come to the end of their economic life.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - a safe and reliable wastewater network provides protection against public health risks.

- *A dynamic and sustainable economy* - a safe and reliable wastewater network provides protection against environmental harm.

- *A dynamic and sustainable economy* - a safe, reliable and well maintained wastewater network that will function effectively and not cause disruptions to inner city living and business activities is a core component of every successful city in the 21st Century.
    -

Who benefits?	
Whole community	20%
Identifiable parts of the community	80%

The sewage network mainly benefits individuals by providing for the safe, sanitary removal of sewage waste from their homes and businesses, and ensuring that waste is treated and disposed of in ways that do not harm the environment. Though these benefits are private they are not exclusive – all homes and businesses use the system, and it would have to exist for public good reasons regardless of the individual benefits.

The sewage system benefits the whole community by protecting public health and the overall state of the environment. The system is a fundamental part of the city's infrastructure. Without it Wellington could not operate as a modern efficient city.

Who should pay?	
Identifiable parts of the community: Base (residential) sector	60%
Commercial sector	35%
User charges	5%

While it is recognised that there is a whole community benefit from this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties with sewer connections.

The division of costs between the two sectors is based on a 'water in, water out' concept. As a result the sector split for this targeted rate is the same as for water supply. The cost of network installation and maintenance in the commercial area is more expensive due to its size, pressures, standards and service levels. This is reflected in the 60%/40% split.

The 60% residential share is collected through a targeted rate. This rate incorporates a fixed charge, with the balance of the sector share funded through a rate per dollar of capital value.

The 40% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value (35%) and trade waste charges (5%).

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%

Targeted rate (Residential 60%, Commercial 35%)	95%
General rate	0%
Total	100%

ACTIVITY 2.4.2: SEWAGE TREATMENT

Sewage is treated at three plants: Moa Point, Karori, and Porirua. The waste treatment plants at Moa Point and Karori are financed by the Council and operated by Veolia. Sewage from Wellington's northern suburbs is transferred to the Porirua plant, in which the Council has a 27.6% stake. Once sewage is treated at Moa Point and Karori, waste water is piped into the Cook Strait and the sludge is taken to the Southern Landfill.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* **-** a safe and reliable wastewater network and treatment facility provides protection against public health risks.

- *A dynamic and sustainable economy* - a safe and reliable wastewater network and treatment facility provides protection against environmental harm.

- *A dynamic and sustainable economy* - a safe, reliable and well maintained wastewater network and appropriate treatment of waste is a core component of every successful city in the 21st Century.

Who benefits?	
Whole community	20%
Identifiable parts of the community	80%

The sewage treatment system mainly benefits individuals by ensuring the waste removed from their homes and businesses is disposed of in ways that do not harm the environment. Though these benefits are private they are not exclusive – all homes and businesses use the sewerage system, and sewage would have to be treated for public good reasons regardless of the individual benefits.

The sewage treatment system benefits the whole community by protecting public health and the overall state of the environment. The system is a fundamental part of the city's infrastructure. Without it, Wellington could not operate as a modern, efficient city.

Who should pay?	
Identifiable parts of the community: Base (residential) sector	60%
Commercial sector	40%
User	0%

While it is recognised that there is a whole community benefit from the provision of this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties with sewer connections.

The division of costs between the two sectors is based on a 'water in, water out' concept. As a result the sector split for this targeted rate is the same as for water supply. The cost of network installation and maintenance in the commercial area is more expensive due to its size, pressures, standards and service levels. This is reflected in the 60%/40% split.

The 60% residential share is collected through a targeted rate. This rate incorporates a fixed amount per property, with the balance of the sector share funded through a rate per dollar of capital value.

The 40% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential 60%, Commercial 40%)	100%
General rate	0%
Total	100%

2.5 Stormwater

ACTIVITY 2.5.1: STORMWATER MANAGEMENT

Each year, Wellington's stormwater network carries around 80 million cubic metres of runoff from gutters and drains to the harbour and city streams. This drainage network helps protect the city from flooding. This network is made up of over 600 kilometres of stormwater pipes and tunnels.

Because stormwater is discharged into the city's streams, harbour and coastal waters, it needs to be as clean as possible. Stormwater can be contaminated by sewage leaking from sewerage pipes, runoff from roads, and by waste such as oil, paint and litter being tipped or washing into drains. The Council has resource consents from the Greater Wellington Regional Council for our stormwater discharges, and we are required to meet the standards set out in these consents. While we do not treat stormwater runoff, we monitor stormwater quality at more than 80 sites, to ensure it meets the required standards.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* -a safe and reliable storm water network and effective maintenance and operation programmes prevents avoidable disruptions to community living and minimises the risk of injury and the risk of damage to property from storm water.

- *A dynamic and sustainable economy* - a safe and reliable storm water network minimise the impacts – such as erosion - of storm water on the environment.

- *A dynamic and sustainable economy* -a safe and reliable storm water network and effective maintenance and operations programmes allows people to live work and play in the central city safely and without disruption.

- *An innovative, inclusive and creative city* - a safe and reliable storm water network and effective maintenance and operations programmes reduces the risk of avoidable surface flooding and environmental damage that may affect transport networks.

Who benefits?	
Whole community	50%
Identifiable parts of the community	50%

The stormwater system provides significant benefits to individual property owners by protecting their property from flooding. Though these benefits are private, they are not exclusive – all homes and businesses benefit, and the network would have to exist for public good reasons regardless of the individual benefits.

The stormwater system benefits the whole community, both by protecting public property and by protecting public health and safety. The system is a fundamental part of the city's infrastructure. Without it, Wellington could not operate as a modern, efficient city, and both economic and social well-being would suffer.

Who should pay?	
Identifiable parts of the community: Residential (urban) sector	77.5%
Commercial sector	22.5%

While it is recognised that there is a whole community benefit from this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on the residential (urban) sector and the commercial sector.

Some stormwater runoff may be the direct result of new developments or other land works, or individual actions such as people tipping paint down drains. In these cases, there is a clear "polluter pays" argument for the people or businesses responsible to meet some of the costs. However, identifying those responsible and assessing the costs are difficult.

The Council has decided to exclude rural areas from paying for this activity as this service is not provided to them and as a result they receive no individual benefit. It is therefore appropriate to fund this activity from targeted rates, excluding the rural sector.

The 77.5% residential share is collected through a targeted rate. This rate is funded through a rate per dollar of capital value.

The 22.5% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential 77.5%, Commercial 22.5%)	100%
General rate	0%
Total	100%

2.6 Conservation Attractions

ACTIVITY 2.6.1: CONSERVATION VISITOR ATTRACTIONS

The Council funds the Wellington Zoo Trust and the Karori Sanctuary Trust. While each of these organisations has specific goals and approaches to conservation and education they provide attractions for residents and visitors.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - these activities inform and educate residents and visitors about conservation. They tell the story of our past, of our special wildlife, and of exotic flora and fauna.

- *A dynamic and sustainable economy* - these facilities play important conservation roles, protecting native and exotic flora and fauna.

Who benefits?	
Whole community	40%
Individuals/Users	40%
Identifiable part of the community	20%

These facilities benefit the individuals that choose to attend by providing them with a high-quality recreational and educational experience. These benefits are private and exclusive.

These facilities provide significant benefits to the whole community. They play a major conservation role by protecting endangered species and educating the public about conservation and biodiversity issues.

These facilities also attract tourists to the city, contributing to the local economy.

Who should pay?	
Whole community	100%

Each of these trusts operates separately from the Council. User charges take the form of entry fees to visit these facilities, which account for about a significant proportion of their income and reflect the private benefits to people who visit these facilities. These user charges do not appear in the Council's books.

The Council's contribution to these facilities reflects the benefits to the community as a whole. For this reason, it is appropriate for the Council's contribution to be funded from general rates.

These facilities contribute to the Council's long term goal that the city's high quality natural environment will attract visitors, residents and visitors.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

Economic Development

Growing the regional economy for a prosperous community

The Economic Development Activity is about achieving long-term and sustainable growth in Gross Domestic Product per capita. With a dynamic growing economy, Wellington is able to offer residents prosperity and an outstanding quality of life. Our economic activities include funding tourism promotions and visitor attractions, support for the regional economic development agency, and maintaining relationships with other agencies to foster economic growth.

Operating activities

The funding sources for this area are illustrated in the table below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Economic Development	City promotions and business support	3.1.1	Wellington Regional Economic Development Agency (WREDA) and Venues	0%	0%	100%	20%	0%	30%	50%
		3.1.2	Wellington Convention Centre	0%	0%	100%	60%	0%	0%	40%
		3.1.3	Retail support (free weekend parking)	0%	0%	100%	0%	0%	0%	100%
		3.1.4	Wellington Economic Initiatives Development Fund (WEID) and Economic Grants	0%	0%	100%	100%	0%	0%	0%
		3.1.5	Major Projects	0%	0%	100%	100%	0%	0%	0%
		3.1.6	International relations	0%	0%	100%	100%	0%	0%	0%
		3.1.7	Business Improvement Districts	0%	0%	100%	0%	0%	100%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Economic development capital expenditure projects generally relate to renewals and are funded through rates funded depreciation and borrowings.

Economic development – activity funding commentary

3.1 City Promotions and Business Support

ACTIVITY 3.1.1: WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY (WELLINGTON NZ) AND VENUES

This activity covers the Council's funding of the Wellington Regional Economic Development Agency (Wellington NZ), the costs of owning and maintaining a number of venue buildings and managing the use of the venues and innovation activities.

Wellington NZ combines the economic development activities of Wellington City Council and the Greater Wellington Regional Council into one organisation.

The aim of a single development agency is to unlock the region's economic potential by providing:

- Clear strategic focus
- Strong economic leadership that prioritises business success
- One voice when dealing with government, businesses, investors and research providers
- Effective use of resources and talent, and leverage of scale

The Council's funding will be used to support its activities in the following areas:

- Major events – attract and support major events that bring visitors and extra spending to the city.
- Tourism – to promote and market the city to visitors
- Sector support to attract business, talent and investment to the Wellington region and accelerate economic growth.
- Maintain the portfolio of civic buildings (the Michael Fowler Centre, TSB Arena, St James Centre, Town Hall and the Opera House) to support the Venues operations in providing a full calendar of entertainment and business events.

Also included in this activity is the expenditure and revenues of promoting and operating the venues (which Wellington NZ undertakes on behalf of Council). This specific activity generally operates without direct Council funding.

Community outcome

This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - promotion of the city as an attractive place to live and do business, works to attract talent to the city and attracts tens of thousands of visitors every year.

- *An innovative, inclusive and creative city* - ensuring that the city has a presence internationally will be vital to attracting investment, talent, visitors and jobs.

- *A dynamic and sustainable economy* - attracting talent, investment, visitors and jobs will be critical to growing the city's economy and ensuring Wellington remains vibrant and retains its competitive advantage.

Who benefits?	
Whole Community	10%
Individuals/Users	45%
Identifiable part of the community	45%

Individual users of the venues derive considerable benefit from these activities. In most cases users themselves provide the funding for the benefits they derive through ticketing charges. For example, people attending a show or an event that Wellington NZ has brought to the city will generally need to pay an entry fee.

The business sector is a significant beneficiary of this activity –and in particular businesses in the central city area where generally a large proportion of visitors spend most of their time and the majority of business activity occurs.

Residents benefit through the provision of incremental job growth, increasing incomes, an increased range of career choices, and importantly making the city more vibrant and prosperous. Particular commercial sectors, such as education and creative industries, also benefit through elevating their profile and helping build the investor base and potential business partnerships.

The benefits from the Wellington NZ funding are distributed widely across hospitality providers, job seekers, and businesses needing to employ and retain skilled workers. Also, a vibrant and growing economy provides benefits by supporting high levels of employment and steady population growth in the City which in turn underpin a stable housing market.

It is estimated that the benefits from the expenditure in these areas accrues to a mix of the business community, the downtown businesses and the whole community.

Who should pay?	
Individuals/Users	45%
Identifiable part of the community	45%
Whole Community	10%

Part of this activity includes the running of the Venues day to day operations, where users fully pay the cost of this activity and there is no rates funding requirement. As the level of venue activity may change on a year to year basis, there is an underlying principle that any costs associated with the promotion or operating of venues is 100% user funded and not funded through rates.

The funding policy excludes the venues operations and is focused on the remaining elements in the activity, and it is recommended that they should be 100% rates funded. This funding is proposed to be spread across the sectors that benefit. This approach attributes the main benefits to the business community and in particular the businesses in the CBD. There is a small component of funding attributed to general rates covering residential and commercial ratepayers.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Commercial)	30%
Targeted rate (Downtown)	50%
General rate	20%
Total	100%

ACTIVITY 3.1.2: TĀKINA

This activity relates to the funding required for the provision of new convention, exhibition and event facilities to the City.

The policy around the funding of Tākinaactivities was consulted on as part of the Council's initial decision to support investment in upgraded convention centre facilities for the city. The policy of 60% general rates and 40% funding through the downtown levy was proposed. This delivers a broad funding split of one third residential sector and two thirds commercial sector in terms of contribution to the cost.

Community outcome
This activity contributes towards the following outcomes:

- *An innovative, inclusive and creative city* - Tākinawill offer a convention and event space that is not currently available in the city. This space provides for networking opportunities and the ability for organisations to share the latest industry trends and innovations.
- *A dynamic and sustainable economy* – convention venues are places of events, festivals, and conferences. They anchor Wellington's appeal as a place of creativity, exploration, innovation and excitement and will bring more business visitation to our downtown area.

Who benefits?	
Whole community	60%
Identifiable parts of the community	40%

The beneficiaries of this activity are predominantly the business sector through expenditure generated in the economy from this activity, potential new expenditure from any growth in this area from investment in upgraded facilities and flow on effects to other indirect supporting services. An improved economy also provides benefits to residents through improved employment opportunities, growth in demand to live and work in the city and the flow on effects that can have to property valuations and business opportunities outside of the downtown area of the city.

It is therefore appropriate for this type of economic development project to be funded, in part, from the general rate to reflect the wider community benefits of an improved economy. Recognising that the general rate covers both residential and commercial ratepayers.
Individuals benefit from their attendance at events and exhibitions held at the venue, however they generally pay directly for that benefit. The net costs in the establishment phase of operations will change each year and therefore the policy recommendations are intended to be for the net operating expenditure of Tākina, rather than incorporating the changing revenues from operations.

Who should pay?	
Identifiable parts of the community	40%
Whole community	60%

While the hospitality, business and entertainment sector receives a part of the benefit, the Council's view is that general ratepayers should also bear a portion of the costs. This is because of the benefit to the community as a whole, through an enhanced cultural offering, urban regeneration and stronger economy this activity will deliver.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Downtown Levy)	40%
General rate	60%
Total	100%

ACTIVITY 3.1.3: RETAIL SUPPORT (FREE WEEKEND PARKING)

Under this activity the Council provides its car parks free on weekends to attract customers to the inner city. This forms part of a wider retail strategy.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* **-** free weekend parking makes Wellington an attractive place to live and do business, and attracts thousands of shoppers to the city every weekend.

- *A dynamic and sustainable economy* – A thriving retail sector in the heart of the city is an important part of Wellington's appeal, and free parking at the weekends encourages residents and visitors into the city to shop.

Who benefits?	
Identifiable parts of the community	50%
Individuals/Users	50%

The direct beneficiaries of the free weekend parking policy are the people who get to make use of the parks. The other identifiable beneficiaries are the retailers, restaurants and other businesses located in the downtown area. Free parking brings people to the central city, where their spending benefits businesses.

Who should pay?	
Identifiable parts of the community	100%

The main purpose of this activity is to support businesses in the CBD, particularly in the retail and hospitality sectors, by encouraging people into the city on weekends.

The main beneficiaries of the free weekend parking are downtown businesses. It is appropriate they should bear the cost of this policy. Free weekend parking will therefore be funded from the downtown targeted rate, which is a targeted rate assessed on businesses in the downtown area.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Downtown)	100%
Total	100%

ACTIVITY 3.1.4: CITY GROWTH FUND (CGW) AND ECONOMIC GRANTS

This activity covers both the organisational support required to deliver the Council's economic development strategy, as well as the funding mechanism Council provides to support economic growth initiatives. These funds being the City Growth Fund (CGW) and the Economic Development Grant Pool.

The core aim of this activity is to facilitate and support economic growth in the city.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – our grants support the attraction and retention of talented people, and support the creative business sector in Wellington.

- *A dynamic and sustainable economy* – attracting talent, investment, visitors and jobs will be critical to growing the city's economy and ensuring Wellington remains vibrant and retains its competitive edge.

- *An innovative, inclusive and creative city* – ensuring the city has a presence internationally will be vital to attracting investment, talent, visitors and jobs.

Who benefits?	
Whole community	100%

The groups and organisations that receive grants clearly benefit from this activity. But the community as a whole also benefits. Funding grants are not exclusive, as they are open so that anyone has the opportunity to apply. The projects of the successful applicants are expected to have flow on benefits for the wider community.

Individuals and employers are also likely to receive benefits as a result of the programme.

Who should pay?	
Whole community	100%

These activities support economic growth for Wellington which will generally benefit the whole community. Where specific grants are provided the recipients benefit directly from this activity, however seeking to recoup the cost from them would defeat the purpose. The nature of the activities and specific outcomes from funded grant activities are not known at this point and it is therefore appropriate that the funding is spread across the whole community through the general rate.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 3.1.5: MAJOR PROJECTS – FUNDING ENVELOPE FOR POSSIBLE IMPLEMENTATION

The Council has a growth agenda that includes a number of major projects to support economic growth. The overall aim of these projects is to realise Wellington's economic potential by:

- Growing the local economy, making it more diverse and resilient, and less reliant on the government sector

- Building sectors of the economy where we have a competitive advantage e.g. tourism, smart economy

- Building better connections between the tertiary sector and businesses to boost the knowledge economy

- Removing barriers to growth by improving our connections to the region and to the rest of the world and by making it easier to do business in the city

This activity provides a funding envelope that would allow major projects to be implemented, should council ultimately decide to proceed with the project.

This activity makes provision for potential funding so that major projects can move to an implementation phase, but only if council is satisfied that the business case for an investment by Council justifies it.

We have a clear idea of the potential major projects that should be investigated and in broad terms we generally know the order of magnitude of any possible council contribution to these projects. This information has been used to establish the size of the potential funding envelope. However, the Council has made no final commitments to fund the implementation of any of the major projects included under the funding envelope and the final funding requirements may differ.

Such commitments will only be made following the consideration of a business case for each possible project. Each business case will include more precise estimates of the risks and cost of the project, how it would be funded (including the size and nature of any Council contribution), how it will be procured, implemented and managed and what benefits it will create. Only then will the Council be able to consider committing specific funds to a project.

In terms of transparency of future costs, if and when the Council decides to commit funds to a project, that project will be given its own activity class and will be reported on separately.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – these projects will promote the city as an attractive place to do business and attract visitors to the city every year.

- *An innovative, inclusive and creative city* - improving direct access internationally will provide local businesses with new opportunities to access large markets.

- *A dynamic and sustainable economy* – attracting visitors, investment and jobs will be critical to growing the city's economy and ensuring Wellington remains vibrant and retains its competitive advantage.

Who benefits?	
Whole community	100%

The core aim of the major projects is to drive and support economic growth. This is especially important given that many of the people we seek to attract have choices to live in or visit other cities around New Zealand and the world. It is critical Wellington remains vibrant and internationally relevant, and that people coming here have the best possible experience.

Economic growth benefits residents by providing jobs, raising incomes, providing a wider range of career choices, making the city more vibrant, prosperous and supporting a robust property market.

The major projects covered by this activity, if justified based on a future business cases, also have the potential to benefit commercial sectors, such as export education, hospitality, retail, and professional service businesses.

At this stage it is not possible to estimate how benefits of any future council investment in major projects will be distributed across the community as a whole, the commercial sectors and possibly the Government sector. This is because it is not certain which major projects will be implemented until business cases are completed and decisions are made on whether or not to proceed. It is also possible that some beneficiaries of a major project will contribute to its implementation, in which case the 'who benefits' from the council's contribution may differ.

Who should pay?	
Whole community	100%

Decisions on who should pay for the Council's contribution to each major project cannot be made at this stage. Options include use of the downtown targeted rate, the commercial sector generally, and the whole community through general rates. Who should pay depends on a range of factors such as which projects are implemented, where they are located, and what funding is provided from non-council sources. In the meantime we intend to apply a proxy/default assumption that 100% general rates funding is used.

Ultimately, as each potential project reaches the stage where the Council is completing the process of deciding to proceed to the implementation stage, part of the process will include consideration of what the particular Revenue & Financing policy should be for that specific project and in particular who should pay, based on the comprehensive information available at that stage.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 3.1.6: INTERNATIONAL RELATIONS

The Council works to make Wellington's economy more competitive and innovative by maintaining relationships internationally to promote the city and the region's interests.

Community outcome
This activity contributes towards the following outcome:

- *An innovative, inclusive and creative city* - Improving access to international markets is particularly important as it provides local businesses with new opportunities to access large markets

Who benefits?	
Whole community	50%
Identifiable part of the community	50%

The benefits of this activity are split between the community as a whole and institutions that benefit from our efforts. The core aim of this work is to help the city and regional economy grow through international engagement. This benefits residents by providing jobs, raising incomes, providing a wider range of career choices, making the city more prosperous, and supporting a robust property market. Our work in this activity also benefits some business sectors, such as tourism, export, education and creative industries, by boosting their profile and helping build the investor base and potential business partnerships in foreign markets.

Though the benefits to the community are immediate and relate to economic well-being, our efforts to improve the city's prosperity and in particular any partnerships with the training and educational sector have positive, long-term spin-offs both for the economy and social well-being.

Who should pay?	
Whole community	100%

Though the benefits are split between the community and certain sectors, the Council believes this activity is most appropriately funded from general rates. This is because in most situations it would be impractical to identify the individuals or business that benefit directly from our activity. For example, it would not be possible to identify the direct beneficiaries of a sister city relationship. Furthermore, the Council's and relationship-building efforts complement the efforts of businesses or institutions themselves.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 3.1.7: BUSINESS IMPROVEMENT DISTRICTS

Under this activity the Council provides a mechanism that allows local businesses to work together as Business Improvement Districts (BIDs). BIDs provide a vehicle for local business-led initiatives that support key city objectives of vibrant centres, business creation and development, and increased employment.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – vibrant suburban centres make Wellington an attractive place to live and help form a local sense of community.

Who benefits?	
Whole community	20%
Identifiable part of the community	80%

In terms of funding for BIDs, the commercial interests within each BID are the principal beneficiaries. There are also likely benefits to the community surrounding the BID, since a BID can also improve vibrancy and environs of the public space within a business area.

Who should pay?	
Identifiable part of the community	100%

Since the beneficiaries of the Business Improvement Districts policy are principally the businesses covered by each individual BID, it is appropriate that they should bear the cost of the policy. This will be done by establishing targeted rates on relevant commercial properties in each area where establishing a BID has the broad support of the business in that area.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Commercial)	100%
General rate	0%
Total	100%

Cultural Well-being

Shaping Wellington's unique identity

The Council supports a wide range of cultural and artistic activity in Wellington. The aim is to foster a lively and creative city that offers rich and varied cultural experiences to residents and visitors. We fund galleries, museums, arts organisations, and art and sculpture in public spaces. We also provide grants to community programmes that foster diversity and encourage people to participate in the arts.

Operating activities

The funding sources for this area are illustrated in the graph below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Cultural Wellbeing	Arts and Culture Activities	4.1.1	Galleries and museums (WMT)	0%	0%	100%	75%	0%	0%	25%
		4.1.2	Visitor attractions (Te Papa/Carter Observatory)	0%	0%	100%	30%	0%	0%	70%
		4.1.3	Arts and cultural festivals	0%	5%	95%	95%	0%	0%	0%
		4.1.4	Cultural grants	0%	0%	100%	0%	100%	0%	0%
		4.1.5	Access and support for community arts	0%	10%	90%	90%	0%	0%	0%
		4.1.6	Arts partnerships	0%	20%	80%	80%	0%	0%	0%
		4.1.7	Regional amenities	0%	0%	100%	100%	0%	0%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Cultural wellbeing capital expenditure projects are funded through a combination of rates funded depreciation and borrowings.

Cultural well-being – activity commentary

4.1 Arts and Cultural Activities

ACTIVITY 4.1.1: GALLERIES AND MUSEUMS

The Council is the main funder of the Wellington Museums Trust, which operates the Wellington Museum, the City Gallery, Capital E, the Wellington Cable Car Museum, Carter Observatory and the Colonial Cottage Museum. This activity also includes Council's contribution towards a continued programme of World War I commemorative activities.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – museums shape Wellington's sense of place and identity. They celebrate creativity and ideas and increase our understanding of culture and science. They tell Wellington's diverse stories and help us understand ourselves and each other.

- *An innovative, inclusive and creative city* **-** museums provide ideas and places where people can connect, share what is common and explore what is different and new. They connect us with people, places and ideas here and abroad.

- *A dynamic and sustainable economy* – museums enhance Wellington's vibrancy as a diverse, active and eventful place attractive to visitors.

Who benefits?	
Whole community	15%
Individuals/Users	70%
Identifiable part of the community	15%

The individuals who attend the exhibitions and shows at the galleries and museums clearly benefit from their attendance. The exhibitions and shows are a mix of free entry and charged admissions.

The various venues and the associated exhibitions and events are important attractions for visitors and residents alike. The location of these draws people into the downtown area and boosts local businesses, particularly those in the tourism, hospitality and retail sectors.

The museums and galleries funded by this activity also benefit the whole community in many ways. They help make the city vibrant, diverse and interesting, preserve its heritage, form a vital part of Wellington's image as a creative city, and are a source of civic pride. The exhibitions and events run by the galleries and museums also foster community identity. These benefits are felt even by people who choose not to visit the facilities.

Who should pay?	
Whole community	75%
Downtown sector	25%

The Council funds the museums and galleries to encourage greater participation in the arts and because it believes that high quality cultural amenities add to a vibrant city life and contribute strongly to Wellington as a place to live, work and play. Wellingtonians enjoy access to a wide range of institutions generally without admission charges, this aligns with a strong community bias and the funding policy of Council reflects this with three quarters of the funding being through the general rate. The balance of the funding reflects the benefits to the businesses located in the CBD area and funding through the downtown levy is appropriate to contribute to this activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Downtown)	25%
General rate	75%

Total	100%

ACTIVITY 4.1.2: VISITOR ATTRACTIONS (TE PAPA)

Through this activity the Council funds attractions and facilities that bring visitors to the city, principally Te Papa.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* –they shape Wellington's sense of place and identity. They celebrate creativity and ideas and increase our understanding of culture and science. They tell Wellington's diverse stories, in particular those of our Māori, and help us understand ourselves and each other.

- *An innovative, inclusive and creative city* – they provide ideas and places where people can connect, share what is common and explore what is different and new.

- *A dynamic and sustainable economy* – museums enhance Wellington's vibrancy as a diverse, inclusive, creative, active and eventful place attractive to visitors.

How we approach funding this activity
The overarching purpose of this activity is to support visitor attractions. The principal expenditure under this activity is the funding which the Council provides to Te Papa.

External attractions

Who benefits?	
Whole community	30%
Individuals/Users	50%
Identifiable part of the community	20%

The direct beneficiaries are those who visit the attractions and attend other events funded through this activity.

Attractions like Te Papa bring visitors to the city and boost the economy, increasing prosperity for residents. They also play vital roles in Wellington's vibrant cultural life, contributing to its image as New Zealand's arts and cultural capital.

There are also direct benefits to the businesses located in the downtown area. The attractions funded by this activity bring people into the city, providing custom for hotels, restaurants, retailers and other city businesses. These benefits can be measured through increases in the number of "visitor nights" spent in the city during major events.

Who should pay?	
Identifiable parts of the community	70%
Whole community	30%

Though a group of beneficiaries of this activity are the individuals who choose to visit Te Papa, the Council does not believe it is viable or appropriate to charge them directly for these benefits. Wellingtonians have largely unrestricted access to Te Papa and it is appropriate that they contribute to the funding of this activity through general rates.

However, the downtown sector should continue to fund a significant portion of the cost of this activity as they benefit directly. The venue, events and attraction of Te Papa brings people and visitors into the city. These people provide business for the retailers, and the wider hospitality sector in the city. The projects funded by this activity make major contributions to the Council's goal that Wellington will be a prime tourist destination.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Downtown)	70%
General rate	30%
Total	100%

ACTIVITY 4.1.3: ARTS AND CULTURAL FESTIVALS

The Council runs and supports events that encourage Wellingtonians to participate in, learn about and enjoy creative, innovative and diverse arts and cultural experiences. These include Summer City (Gardens' Magic, Pacifika Festival Te Rā o Waitangi) the Sky Show, the Diwali festival, Matariki festival, Re-Cut series, Very Welly Christmas and New Year and more, all of which are provided free to the public.

We aim to establish Wellington as a world-leading city of contemporary culture through an integrated programme of investment in, and promotion of, our unique strengths as an arts, events and culture capital.

Community outcome

- *A people friendly, compact, safe and accessible capital city* –cultural festivals shape Wellington's sense of identity. They bring people together and celebrate creativity.

- *An innovative, inclusive and creative city* – festivals provide ideas and places where people can connect, share what is common and explore what is different and new. They connect us with people, places and ideas from here and abroad.

- *A dynamic and sustainable economy* – museums and festivals enhance Wellington's vibrancy as a diverse, inclusive, creative, active and eventful place attractive to residents

Who benefits?	
Whole community	100%

The events are generally run outdoors in public areas making it impossible to identify individual beneficiaries. The benefits, in any case, are not exclusive.

There are generally no limits on the number of people who attend these events and, as the intention is to encourage participation, vibrancy and liveability of the city, it would not be appropriate or acceptable to charge for entry.

The principal benefits are to the community as a whole. These events bring people together, encouraging community identity and cohesion. They help build a sense of pride in the city and add to Wellington's reputation as an "events capital". Many events attract people to the city centre, bringing economic benefits.

Who should pay?	
Whole community	100%

Since this activity benefits the community as a whole, the fairest and most effective way to fund the net cost is from general rates.

The Council receives significant sponsorship for this activity from organisations such as the New Zealand Community Trust.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 4.1.4: CULTURAL GRANTS

The Council maintains a cultural grants pool to allow community organisations access to funding.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* –cultural grants support the creative sector of Wellington ensuring that the city is lively and full of festivals, performances and shows throughout the year.

- *A dynamic and sustainable economy* –cultural grants support Wellington cultural institutions that are integral to our cultural and events capital status. They provide shows and performances that make the central city a lively place to visit, play and do business**.**

Who benefits?	
Whole community	50%
Individuals and identifiable part of the community	50%

The direct beneficiaries of this activity are the individuals and groups who receive funding. The grants provide them with opportunities for artistic and cultural expression. This activity gives individuals the opportunity to participate, even though they may choose not to. Though these benefits are private, they are not exclusive – all residents are able to apply for funding.

Funding cultural initiatives also benefits all city residents by making the city a more vibrant place, enhancing community identity, and contributing to the city's reputation as New Zealand's arts and culture capital.

Who should pay?	
Whole community	100%

The purpose of this activity is to add to the mix of cultural events in the city and to encourage participation. Clearly, this means that someone other than the grant recipients has to pay. This activity has no benefit, economic or otherwise, to the commercial sector. Funding is directed to residents, and as such, the Council believes it is appropriate to fund the cost of this activity from rates targeted to the residential sector.

The people and groups who receive funding also contribute their own resources to initiatives that benefit the city's cultural and social well-being.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential)	100%
General rate	0%
Total	100%

ACTIVITY 4.1.5: ACCESS AND SUPPORT FOR COMMUNITY ARTS

This activity addresses a range of community arts projects that the Council supports every year. It also covers a subsidy for non-profit community groups using Wellington Venues, ensuring that they are accessible to a wide range of organisations.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – support for community arts projects and venues enables Wellington's creative communities to create work and produce festivals and performances throughout the year.

Who benefits?	
Whole community	50%
Individuals/Users	50%

Both the individuals that take part in the arts projects and the non-profit groups that make use of the venue subsidy directly benefit from this activity. The activity also benefits the community as a whole. The art projects and groups supported by the subsidy help make the city a vibrant place and foster cultural identity.

Who should pay?	
Whole community	90%
Identifiable parts of the community	10%

The purpose of this activity is to promote cultural diversity and tolerance and, celebrate through the arts, people's differences to create a sense of identity and of belonging to place. The provision of community art projects eliminates cost as a barrier as does the venue subsidy. Clearly, the cost of this support has to be met elsewhere. The Council believes the cost is most appropriately funded from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	10%
Targeted rate	0%
General rate	90%
Total	100%

ACTIVITY 4.1.6: ARTS PARTNERSHIPS

The Council maintains a number of partnerships with artistic organisations that call Wellington home.

The Council also houses a number of independent artists, art organisations, music studios and a gallery at the Toi Pōneke Arts Centre, which is covered by this activity. This activity also includes the fund which is used to manage the city's art collection (acquisition, conservation and exhibiting of artworks) and support development and delivery of public art in the city.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – Our partnership with organisations such as the NZ Symphony Orchestra means residents have the option of attending concerts on a regular basis, and have far greater access to world-class music than would otherwise be the case. Toi Pōneke Arts Centre is a creative space where the city's arts communities interact, produce innovative works, teach and exhibit in the heart of Wellington. It provides a place where people can connect, share and collaborate creatively
- *A dynamic and sustainable economy* - We support these institutions as they build on the city's reputation as New Zealand's arts and culture capital and they attract thousands of visitors to the city. Public sculpture and art displays, and exhibitions add to the vibrancy and liveability of the city.

Who benefits?	
Whole community	30%
Identifiable part of the community	60%
Downtown sector	10%

The artists and organisations are clearly direct beneficiary of these partnerships. These benefits are private and exclusive to the extent that the Council's support cannot be transferred. Toi Pōneke exhibitions are free and accessible to all. Public art is a most accessible form of art and the whole community benefits from it as well as visitors to the city.

The community also benefits from this activity in many ways. Through our support we help ensure these organisations remain viable and based in Wellington. In the example of the orchestra this means the city is home to one of the nation's foremost arts institutions, which contributes to Wellington's vibrancy and its image as a creative city. It also means residents have the option of attending concerts on a regular basis, and have far greater access to world-class music than would otherwise be the case.

These partnerships add to the city's exceptional range of artistic and cultural amenities that cater to all tastes, which in turn add to an environment that fosters a vibrant city life and boosts the local economy.

Who should pay?	
Whole community	75%
Individuals/Users	25%

The overall aim of this activity is to encourage greater engagement and participation in the arts. By supporting these organisations and artists we are ensuring that their work continues and can be experienced by residents and visitors. The Council believes that the majority of the cost is most appropriately funded from general rates.

It is also considered appropriate that those art organisations, artists and users of Toi Pōneke Arts Centre should make a contribution to the cost of the space that they have use over.

Our funding targets: operating expenses

User charges	0%
Other revenue	20%
Targeted rate	0%
General rate	80%
Total	100%

ACTIVITY 4.1.7: REGIONAL AMENITIES FUND

The Wellington Regional Amenities Fund has been set up to support eligible entities of regional significance with day-to-day operational expenses and new innovative projects that will achieve identified priorities for the region.

The fund is focused on arts, cultural and environmental attractions and events to support and add to the attractiveness and vitality of the Wellington region.

The fund is a partnership between Wellington City Council, Hutt City Council, Upper Hutt City Council, Porirua City Council and Kapiti District Council.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – arts, culture and environmental attractions and events make Wellington a more attractive place to live and do business, and attract thousands of visitors to the city every year.
- *An innovative, inclusive and creative city* – attractions and events provide ideas and places where people can connect and explore what is different and new, from both here and overseas.
- *A dynamic and sustainable economy* – arts, culture and environmental attractions and events anchor Wellington's appeal as a place of creativity, exploration, innovation, and excitement. They also enhance Wellington's vibrancy as a diverse, active and eventful place attractive to visitors.
- *A sustainable, climate friendly eco capital* – environmental attractions and events raise awareness of environmental issues and improves environmental outcomes.

Who benefits?	
Whole community	100%

The direct beneficiaries are those who attend the events and attractions funded through this activity.

The community as a whole benefits in a number of ways. They have the opportunity to enjoy high-quality art, cultural and environment attractions and events that arguably won't happen without the Council's support which contributes to social cohesion as they are an opportunity for people to engage in their communities.

They also create economic benefits to the city as they attract out of region visitors, and contribute millions of dollars to Wellington's economy (e.g. New Zealand Festival). They bring people into the city, providing customers for city businesses as well as enhancing Wellington City's place as New Zealand's arts capital, attracting people to the City to live, work and play.

Who should pay?	
Whole community	100%

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

Social and Recreation

Building strong, safe and healthy communities for a better quality of life

A city is only as strong as its people. Wellington is built on strong communities. It’s a safe city where people have plenty of opportunities to fulfil their potential and engage with each other. As the city’s biggest provider of recreation facilities and social housing, we aim to promote healthy lifestyles and build strong communities.

Operating activities

The funding sources for this activity area are illustrated in the graph below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Social and Recreation	Recreation promotion and support	5.1.1	Swimming Pools	30%	0%	70%	70%	0%	0%	0%
		5.1.2	Sportsfields	15%	0%	85%	85%	0%	0%	0%
		5.1.3	Recreation programmes	5%	0%	95%	95%	0%	0%	0%
		5.1.4	Recreation Centres	25%	0%	75%	75%	0%	0%	0%
		5.1.5	Recreation partnerships	0%	0%	100%	0%	100%	0%	0%
		5.1.6	Playgrounds	0%	0%	100%	100%	0%	0%	0%
		5.1.7	Marinas	100%	0%	0%	0%	0%	0%	0%
		5.1.8	Golf Course	30%	0%	70%	70%	0%	0%	0%
	Community support	5.2.1	Libraries	5%	0%	95%	95%	0%	0%	0%
		5.2.2	Access support (Leisure Card)	0%	0%	100%	100%	0%	0%	0%
		5.2.3	Community advocacy	0%	0%	100%	0%	100%	0%	0%
		5.2.4	Grants (Social and Recreation)	0%	0%	100%	100%	0%	0%	0%
		5.2.5	Housing	100%	0%	0%	0%	0%	0%	0%
		5.2.6	Community centres and halls	5%	0%	95%	0%	95%	0%	0%
	Public health and safety	5.3.1	Burials and cremations	50%	0%	50%	50%	0%	0%	0%
		5.3.2	Public toilets	0%	0%	100%	100%	0%	0%	0%
		5.3.3	Public health regulations	65%	0%	35%	35%	0%	0%	0%
		5.3.4	City safety	0%	0%	100%	100%	0%	0%	0%
		5.3.5	WREMO	0%	0%	100%	100%	0%	0%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Social and recreation capital expenditure projects are funded through a combination of grants/subsidies, rates funded depreciation and borrowings.

Social and recreation – activity commentary

5.1 Recreation Promotion and Support

ACTIVITY 5.1.1: SWIMMING POOLS

This activity covers the cost of providing the Council's seven swimming pools: Wellington Regional Aquatic Centre (WRAC, Kilbirnie), Freyberg Pool (Oriental Bay), Karori Pool, Keith Spry Pool (Johnsonville), Tawa Pool, Thorndon Pool (summer only) and Khandallah Pool (summer only). They provide a range of recreational opportunities while also helping build a sense of community. They host college, intermediate and primary school swimming events and WRAC also hosts national events.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - they provide access to sport and recreation opportunities which is important for people's health and wellbeing.
- *An innovative, inclusive and creative city* – they bring people together, strengthening social cohesion, and the city becomes a more appealing place for people to live.

Who benefits?	
Whole community	20%
Individuals/Users	80%

Our swimming pools mainly benefit the people who use them. These people gain access to high-quality facilities for recreation, fitness and relaxation. The benefits are private and exclusive. It is appropriate and acceptable to charge people to use the pools.

However, there are also benefits to the community as a whole. By providing recreation facilities, the pools help increase the overall levels of residents' health, providing economic and social benefits. They help increase community knowledge of water safety and improve swimming skills. Pools also provide important community focal points as well as health and recreation programmes that bring people together.

Most people regard the pools as important facilities and are prepared to contribute to the costs through their rates. Many people also like to have the option of using the pools even if they do not choose to do so.

Who should pay?	
Whole community	70%
Individuals/Users	30%

While individuals receive the direct benefits, the Council believes it is appropriate for the community as a whole to bear most of the costs of running the city's swimming pools.

The benefits to the community as a whole and the widespread community support for the facilities justify a significant ratepayer contribution. Though there are other pools in the city, the Council-operated ones are unique for the size and scale of their operations; they are not in direct competition with the private sector and can legitimately be seen as public facilities.

It would not be desirable to raise fees to levels that discouraged people from using them or provided barriers to people on low incomes. Ability to pay issues limits the opportunity to recover the cost of this activity through user charges.

Our funding targets: operating expenses	
User charges	30%
Other revenue	0%
Targeted rate	0%
General rate	70%
Total	100%

ACTIVITY 5.1.2: SPORTS FIELDS

ACTIVITY 5.1.2: SPORTS FIELDS

This activity covers the costs of providing the city's sportsfields, including synthetic artificial surfaces. These provide year-round venues for recreation and competitive sport for people of all ages.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - they provide access to sport and recreation opportunities which is important for people's health and wellbeing.

- *An innovative, inclusive and creative city* – they bring people together, strengthening social cohesion, and the city becomes a more appealing place for people to live.

Who benefits?	
Whole community	30%
Individuals/Users	35%
Identifiable part of the community	35%

The city's sportsfields provide significant benefits for private individuals and sports clubs. For individuals, they provide facilities for recreation, fitness and relaxation. These benefits are private and partially exclusive. While the fields are booked out at certain times for organised sports such as club football, they are also often available for members of the public to use for informal recreation.

The Council estimates individual people receive about 35% of the benefits from sportsfields and sports clubs receive about the same benefit.

The sportsfields also benefit the community as a whole. By providing recreation facilities they help increase the overall levels of residents' health, providing economic and social benefits. They also provide important community focal points and recreation programmes that bring people together. Most people recognise them as important facilities and are prepared to contribute to the costs through their rates.

Who should pay?	
Whole community	80%
Individuals/Users	20%

While individuals and sports clubs receive significant direct benefits, the Council believes it is appropriate for the community as a whole to bear some of the costs of operating the city's sportsfields.

The benefit to the community as a whole and the widespread community support for the facilities justifies a ratepayer contribution. The Council-operated sportsfields are not in competition with private sector providers and can legitimately be seen as public facilities.

It is not always possible or desirable to identify individual users. While sports clubs who book sportsfields can be identified and are charged, many other people use the fields informally and cannot be charged. It would not be desirable to raise fees to levels that discouraged organised sports. Nor would it be desirable to raise fees to levels that provided barriers to people on low incomes taking part in organised sports.

Previously sportsfields were in two separate activities, natural (grass) and synthetic. This was initially driven by the development of artificial turfs (a new service) and the difference in who benefits and who should pay. This has changed overtime as the use of synthetics has integrated with natural fields, which has seen individuals, sporting clubs and the communities utilise the provision of these fields as one service. This has led to a review of these activities, and combining them into one. It has seen changes to the 'who benefits' and 'who should pay' % to recognise the service as a whole.

Our funding targets: operating expenses	
User charges	15%
Other revenue	0%
Targeted rate	0%
General rate	85%
Total	100%

ACTIVITY 5.1.3: RECREATION PROGRAMMES

The Council organises programmes and works with stakeholders to deliver programmes to encourage people's participation in leisure activities. These include organised walks and recreation activities such as Push Play. The key sectors include schools and tertiary providers, environmental groups, sports, clubs and health & well-being providers. This activity covers the cost of providing these services.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – this activity supports access to sport and recreation opportunities which is important for people's health and wellbeing.

- *An innovative, inclusive and creative city* – this activity brings people together, strengthening social cohesion, and makes the city a more appealing place for people to live.

Who benefits?	
Whole community	50%
Individuals/Users	50%

The Council's recreation programmes benefit the individuals who take part by providing them with access to recreation and leisure opportunities. The programmes not only promote health but can also boost participants' overall sense of well-being.

The recreation programmes also benefit the community as a whole. They not only encourage recreation and healthy lifestyles but also operate as community events, helping bring people together. The programmes are targeted at people who may have difficulty organising their own recreation activities.

Who should pay?	
Whole community	95%
Individuals/Users	5%

While individuals receive significant direct benefits, the Council believes it is appropriate for the community as a whole to bear the costs of running these programmes.

The benefits to the community as a whole justify ratepayer funding and it would not be desirable to impose fees as that may discourage participation and provide barriers to people on low incomes taking part.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 5.1.4: RECREATION CENTRES (INCLUDING ASB SPORTS CENTRE)

This activity covers the costs of providing the Council recreation centres in Karori, Kilbirnie, Khandallah (Nairnville), Tawa and the ASB Sports Centre. These multi-purpose centres provide a range of recreational opportunities while also helping build a sense of community. They host inter-club competitive leagues and social leagues as well as college, intermediate and primary school sport and activities. The ASB Sports Centre also hosts national and international events.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - they provide access to sport and recreation opportunities which is important for people's health and wellbeing.

- *An innovative, inclusive and creative city* – they bring people together, strengthening social cohesion, and the city becomes a more appealing place for people to live.

Who benefits?	
Whole community	20%
Individuals/Users	80%

Our recreation centres mainly benefit the people who use them. These people gain access to high-quality facilities for sports, recreation and fitness. These benefits are private and exclusive. It is appropriate and acceptable to charge people to use the centres.

However, there are also benefits to the community as a whole from our provision of recreation centres. These facilities help increase overall levels of residents' health, providing economic and social benefits. Recreation centres also provide community focal points and recreation programmes that bring people together.

Who should pay?	
Whole community	75%
Individuals/Users	25%

While individuals receive most of the benefits, the Council believes it is appropriate for the community as a whole to bear most of the costs of running the city's recreation centres.

The benefit to the community and the significant role these centres play in their local areas justifies a significant ratepayer contribution. The accumulated health benefits to the community as a whole from organised and recreational physical activities at their centres also suggests the whole community should bear the majority of the cost.

In addition, it would not be desirable to raise fees to levels that discouraged people from using the centres or provided barriers to people on low incomes. Ability to pay issues limits the opportunity to recover the cost of this activity through user charges.

Our funding targets: operating expenses	
User charges	25%

Other revenue	0%
Targeted rate	0%
General rate	75%
Total	100%

ACTIVITY 5.1.5: RECREATION PARTNERSHIPS

The Council maintains relationships with a number of groups that seek to provide publicly accessible facilities that contribute to both passive and active recreation.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* **–** this activity supports access to sport and recreation opportunities which is important for people's health and wellbeing.

- *An innovative, inclusive and creative city* – this activity bring people together, strengthening social cohesion, and the city becomes a more appealing place for people to live.

Who benefits?	
Whole community	20%
Individuals/Users	80%

The organisations we fund and the people that take part in their programmes also receive direct benefits.

Through the development of recreational partnerships, the Council aims to promote the benefits of sport and recreation to Wellingtonians. This has benefits for residents' overall levels of health and fitness, which in turn helps economic and social well-being. In addition, by supporting recreation partners, the city receives the economic benefits from having sport and recreation organisations located here.

Who should pay?	
Whole community	100%

While the individuals who choose to access these facilities receive some benefits, the Council believes it is appropriate for the residential sector to bear the costs of our recreation partnerships.

The Council is just one source of funding for its recreation partners. The Council's contribution represents the public benefits to Wellington residents while the other funding sources represent the private benefits to participants and other organisations.

In this context the benefits to the community clearly outweigh the benefits to individuals. These benefits include healthier lifestyle and overall additions to social wellbeing.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential)	100%
General rate	0%
Total	100%

ACTIVITY 5.1.6: PLAYGROUNDS

The Council provides more than 100 neighbourhood playgrounds across the city to give families a safer place to play near home. This activity covers the cost of providing those.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – this activity supports access to recreation opportunities and physical play for younger people that are important for their development and their health and wellbeing.

- *An innovative, inclusive and creative city* – these facilities bring people together, provide a place where parents with young children can connect and provide support, hence making the city a more appealing place for people to live.

Who benefits?	
Whole community	20%
Individuals/Users	80%

The city's playgrounds provide safe, entertaining places for children to play. The benefits to the children and their families are significant. These benefits are private but not exclusive. It would not be desirable or acceptable to charge people for using playgrounds. The Council's Play Spaces Policy states that in February 2013, the United Nations Committee on the Rights of the Child, adopted a General Comment that "children have a right to relax and play, and to join in a wide range of cultural, artistic and other recreational activities."

The playgrounds also benefit the community as a whole. Playgrounds not only encourage recreation and healthy lifestyles but are also important community focal points. Most people recognise them as important facilities and are prepared to contribute to the costs through their rates.

Who should pay?

Whole community	100%

While individuals receive significant direct benefits, the Council believes it is appropriate for the community as a whole to bear the costs of running the city's playgrounds.

Even if the individual beneficiaries could be identified it would not be desirable or acceptable to charge them. The Council believes access to playgrounds is a fundamental right for children.

The benefits to the community as a whole and the widespread community support for the playgrounds justifies ratepayer funding. The Council believes the vast majority of ratepayers would strongly support ratepayer funding of this activity. The playgrounds are public facilities and are not in competition with private sector providers.

Playgrounds make a significant contribution to our goal that Wellington will offer excellent access to a sound social infrastructure that supports high levels of social cohesion.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 5.1.7: MARINAS

The Council owns two marinas at Evans Bay and Clyde Quay. These provide private storage and live-aboard facilities for boat owners as well as supporting the recreational activities of a large number of boat owners. This activity covers the cost of providing these.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – this activity supports access to the harbour and the coast for recreation, fishing and enjoyment

Who benefits?	
Individuals/Users	100%

The marinas benefit the people who use them by providing boat sheds for safe storage, moorings and access by marina piers. These benefits are private and exclusive and it is appropriate and acceptable to charge for this service.

Who should pay?	
Individuals/Users	100%

As identifiable individuals receive private benefits from this activity, it is appropriate for them to meet the costs. The benefits accrue to a narrow sector of the community who use these facilities and the user charges are set at appropriate market rates.

Our funding targets: operating expenses	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%
Total	100%

ACTIVITY 5.1.8: GOLF COURSE

This activity covers the costs of providing the city's municipal golf course

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – this activity supports access to sport and recreation opportunities which is important for people's health and wellbeing.
- *An innovative, inclusive and creative city* – this activity brings people together, strengthening social cohesion, and makes the city a more appealing place for people to live.

Who benefits?	
Whole community	20%
Individuals/Users	40%
Identifiable parts of the community	40%

The city's municipal golf course in Berhampore provides significant benefits for private individuals and the club itself. For individuals, they provide facilities for recreation, fitness and relaxation. These benefits are private and partially exclusive. While the course is booked out at certain times for organised club competitions, they are also often available for members of the public to use for informal recreation.

The Council estimates individual people and identifiable parts of the community each receive about 40% of the benefits from the golf course.

The golf course also benefits the community as a whole. By providing recreation facilities and open space it helps increase the overall levels of residents' health, providing social benefits. It also provides an important community focal point.

Who should pay?	
Whole community	70%
Individuals/Users	30%

While individuals receive significant direct benefits, the Council believes it is appropriate for the community as a whole to bear some of the costs of operating the city's municipal golf course, the main reason being that the golf course is located on Town Belt land with free public access to the area. The user funded portion relates to costs specific to the provision of the Golf Course.

The benefit to the community as a whole and the widespread community support for the facility justifies a ratepayer contribution.

Our funding targets: operating expenses	
User charges	30%
Other revenue	0%
Targeted rate	0%
General rate	70%
Total	100%

5.2 Community support

ACTIVITY 5.2.1: LIBRARIES

The Council provides a network of libraries including the Central Library, branch libraries, and a popular website.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* - libraries are more than just places to borrow books. They are neighbourhood institutions that anchor community life and bring people together.

- *An innovative, inclusive and creative city* - libraries are places of discovery and learning which allow readers to connect with others and exchange knowledge both online, and through events and other activities.

Who benefits?	
Whole community	20%
Individuals/Users	80%

The libraries also provide significant benefits to the community as a whole. By providing community support and access to information, the libraries enhance the overall levels of skill, literacy and knowledge in the city, providing economic and social benefits. They act as important digital hotspots and community centres. And they host events and outreach services that bring people together, as well as provide information for migrants and residents about local communities and their history.

The library network adds to residents' quality of life. The vast majority of Wellingtonians are library members or users - even those who are not regular users generally like to have the option of using library services. Libraries enhance social inclusion and equity of access to services. The branch libraries draw people in to suburban centres bringing vitality to those areas and added custom to local businesses. The Central Library is a significant city landmark which contributes to civic pride.

Libraries also benefit the people who use them. People gain free or low-cost access to books, DVDs, magazines, music and other items. The breadth of the network means that the services it provides are easily accessed by those opting to use it. They use these services for recreation or work/business and to enhance their knowledge, digital literacy and overall well-being right across the age span.

We monitor the use of our libraries. Our indicators suggest that the vast majority of use is for recreational and personal use while up to 30 percent is in part used for work purposes (e.g. job seeking).

Who should pay?	
Whole community	95%
Individuals/Users	5%

While individuals receive many of the direct benefits, the Council believes it is appropriate that most of the cost of running libraries should be met by the wider community. Some user charges will apply for some 'added' services and through penalty fines for late returns.

The community benefits as a whole and the widespread community support for the facilities justifies a significant ratepayer contribution. Libraries are among the most popular of Council services and there is strong support for them to be free at the point of use. The libraries are significant public facilities that are generally not in direct competition with the private sector.

It would not be desirable to raise fees to levels that further discouraged people from using the library services or provided barriers to people on low incomes. It would not be desirable or acceptable to Wellingtonnians to impose user charges for entry to the libraries or basic book lending services.

Fees are imposed on services that are provided in addition to the core services of the library. For instance modest fees apply for the rental of DVDs. Penalty fees also apply to the late return of items, although this is less relevant as an income stream in an increasingly digital environment.

Since the vast majority of residents are also library users, the application of a uniform targeted rate is considered an effective way of funding the portion of the service that is known to be used by residents.

As it is not possible to distinguish a direct beneficiary of the remaining portion of users, it is considered fair and efficient that a significant portion of the library service be paid for by the whole community.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 5.2.2: ACCESS SUPPORT (LEISURE CARD)

The Council offers discounted access to recreation facilities for holders of our Passport to Leisure card, which is issued free to all residents on low incomes.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city – we* provide subsidised access to our recreation programmes and facilities through our Leisure Card programme to encourage active and healthy lifestyles for all Wellingtonians without unreasonable hardship.

Who benefits?	
Whole community	25%
Individuals/Users	75%

The Passport to Leisure programme benefits individual participants by giving them affordable access to recreation and leisure opportunities. The programme helps boost participants' health, fitness and overall well-being.

The programme also benefits the wider community by encouraging healthy lifestyles, which enhances social and economic well-being. It adds to social cohesion by reducing barriers to people on low incomes.

Who should pay?	
Whole community	100%

While the programme mainly benefits individuals the Council believes it is appropriate for the whole community to share the costs.

The programme is aimed at increasing access to recreation and leisure for people on low incomes, by making facilities available at reduced cost. Clearly, this means someone else has to pay. The benefits to all wider community justify the costs being drawn from the general rate.

This programme makes a significant contribution to the Council's goal that Wellington residents will be more actively engaged in their communities, and in recreation and leisure activities.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 5.2.3: COMMUNITY ADVOCACY

We encourage people to contribute to their community and participate in city activities. Our City Communities advisors support a wide range of community groups such as senior citizens, Māori, youth, Pacific Islanders, refugees and migrants, and people with disabilities.   This work aims to ensure that Wellington's diverse population is supported and embraced by a tolerant, caring and welcoming community.

We also support the development of community and neighbourhood resilience to ensure communities are connected, vibrant and participatory. Ensure Wellington is a safe, tolerant and healthy city with a strong social infrastructure supporting people. There is an effective city wide welfare and social recovery response for people and animals in an emergency

Community Services take the lead in maintaining and developing partnerships and/or collaborations with community groups, government departments, agencies and sector organisations to improve community wellbeing and to ensure local services meet local needs.

Community outcome

This activity contributes towards the following outcomes:

- A people friendly, compact, safe and accessible capital city*:* A city that offers an outstanding quality of life and strong sense of place and leaves no-one behind; provides outstanding recreational opportunities (active and passive) that are accessible and inclusive and a safe and healthy city to live in and visit.

- *A dynamic and sustainable economy:* Residents know their neighbours and have a strong sense of community and of public pride; retailers and residents in the CBD have a voice and can be heard.

- *An innovative, inclusive and creative city:* Engaged community where people and communities feel connected; welcoming and diverse city tolerant of diversity

Who benefits?	
Whole community	80%
Individuals/Users	20%

The projects funded under this activity benefit all Wellingtonians and communities: The build community and neighbourhood resilience supporting the development of connected, vibrant and participatory communities. The outcomes include ensuring residents being able to access information and resources and participate in communities/activities of choice. These projects also ensure Wellington is a safe, tolerant and healthy city with a strong social infrastructure supporting people. There is an effective city wide welfare and social recovery response for people and animals in an emergency.

Who should pay?	
Whole community	100%

The Council believes it is appropriate to fund the majority of costs for this activity from rates targeted to the residential sector. This is because the benefits accrue to all residents.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate (Residential)	100%
General rate	0%
Total	100%

ACTIVITY 5.2.4: GRANTS (SOCIAL AND RECREATION)

The Council maintains four grants pools. This activity covers the grants to community groups and organisations whose projects seek to promote recreational activity and overall social wellbeing. The grants process is overseen by a subcommittee of Council.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - our grants support community groups that promote individual wellbeing, safe neighbourhoods and cohesive, engaged and inclusive communities. The grants also support active and healthy lifestyles through support of recreation and sporting groups.

Who benefits?	
Whole community	50%
Identifiable part of the community	50%

The groups and organisations that receive grants clearly benefit from this activity. But the community as a whole also benefits. The grants pool itself is not exclusive - it is open so that anyone has the opportunity to apply. And the projects of the successful applicants will have flow on benefits for the community.

Who should pay?	
Whole community	100%

While grants recipients benefit directly from this activity, seeking to recoup the cost from them would defeat the purpose of the grants pool. Given this and that there are benefits to the community as a whole, the Council believes the fairest and most effective way to fund it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 5.2.5: HOUSING

The Council owns over 2000 housing units, which we rent to low income people whose housing needs are not met by the private sector. We allocate these homes according to need. Tenants are charged 70 percent of the estimated market rent for their property.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - they provide an opportunity for a home and a better quality of life for those less well-off without unreasonable hardship.

Who benefits?	
Individuals/Users	90%
Whole community	10%

The main beneficiaries of this activity are the tenants, who receive accommodation at below market rent. Their benefits are private and exclusive. While the Council's rental housing units are aimed at meeting needs that the market does not or cannot meet, to some extent these housing units are in competition with properties provided by private landlords.

However, there are some benefits to the community as a whole. By providing homes for people who otherwise may be unable to afford them, the Council also contributes to community cohesion and may have benefits for public health and safety.

Who should pay?	
Individuals/Users	100%

As the main beneficiaries, it is appropriate for tenants to pay all of the costs involved in providing community housing. The Council's current policy is to provide homes at 70 percent of market rent. The City Housing activity is ring-fenced with user charges through rent income funding 100% of operating expenses. The opportunity cost of not obtaining market rentals is not included in this funding analysis.

Our funding targets: operating expenses	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%
Total	100%

ACTIVITY 5.2.6: COMMUNITY CENTRES AND HALLS

This activity supports the delivery of services/activities from community centres and halls. The Council directly delivers services to the community from two halls and five centres. Community organisations are contracted to deliver services from our assets or from non- council assets (22 centres in total) and are funded through three-year contracts (Social Grants). This includes where Council owns the asset, community owns the asset, and community leases a space for delivery of services.
We also maintain an accommodation assistance fund that provides community groups with access to subsidised office space.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – these facilities are important anchors in our communities. They are places for groups to come together, strengthening social cohesion, and making the city a more appealing place for people to live.

Who benefits?	
Whole community	70%
Individuals and identifiable part of the community	30%

The people and groups who use community facilities receive a clear and direct benefit. Though the facilities are available to all, this benefit is private and exclusive – only one group can use a room in a community centre at any one time.

However, the provision of these facilities also has benefits for the wider community. Not only do the facilities help bring people together, the groups that use them often make significant voluntary contributions to community well-being.

Who should pay?	
Whole community	95%
Individuals and identifiable part of the community	5%

These community spaces cover a wide range of facilities forming part of the city's 'hard' social infrastructure that supports community wellbeing. Services and activities developed and delivered locally from these assets help bring people together, improve and strengthen neighbourhoods, community resilience and community safety. These assets are also important gathering points during civil defence emergencies.

Community centres make a significant contribution to community wellbeing by providing an anchor for the local community as well as a city-wide network of community resources. They also provide opportunities for social interaction, events, activities and interest and needs based courses/activities that benefit and respond to the local community needs and interests.

Our funding targets: operating expenses	
User charges	5%
Other revenue	0%
Targeted rate (Residential)	95%
General rate	0%
Total	100%

5.3 Public Health and Safety

ACTIVITY 5.3.1: BURIALS AND CREMATIONS

We operate a crematorium and cemetery at Karori and a cemetery at Makara. We also manage Wellington cemetery records dating back to 1849 available for public viewing. Karori Cemetery is now managed as a closed cemetery for burials, unless interred in an existing family plot. All other burials, including Natural burials are undertaken at Makara Cemetery.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – the cemeteries provide sensitive and respectful bereavement services catering for a wide range of communities and beliefs. We maintain the cemetery sites to a good standard, reflecting their importance to the community.

Who benefits?	
Whole community	50%
Identifiable part of the community	50%

The cemeteries provide families of the deceased with access to appropriate burial or cremation facilities, allowing them to farewell their loved ones with dignity.

They also have significant benefits to the community as a whole. These include the public health benefits of ensuring burials and cremations are conducted appropriately, the contribution made by the cemeteries to the city's heritage, the social benefits of ensuring a wide range of religious and cultural needs are catered for, and the provision of park-like surroundings that benefit not only families of the deceased but also all members of the community. Members of the public expect cemeteries to be properly maintained and accessible to all.

The provision of these services can also be seen to benefit funeral homes and other private businesses in this field.

Who should pay?	
Whole community	50%
Identifiable part of the community	50%

Since the benefits of this activity are split between individuals and the community as a whole, it is appropriate for the costs to also be split.

It should be noted that historically we have been able to recover less than 50 percent of the cost of this activity through user charges. Recent efforts to improve this rate of cost recovery have resulted in some improvements; however due to price elasticity we anticipate that on occasions we will not always meet this target.   The remaining costs are appropriately met through general rates.

Our funding targets: operating expenses	
User charges	50%

Other revenue	0%
Targeted rate	0%
General rate	50%
Total	100%

ACTIVITY 5.3.2: PUBLIC TOILETS

We own and maintain around 100 public toilets throughout the city, located at public places such as parks, playgrounds, sports fields, and shopping centres and in the central business district. This activity includes ensuring they are kept clean and maintained fit for public use.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – these facilities are located conveniently throughout the city protecting against public health risks.

Who benefits?	
Whole community	60%
Individuals/Users	40%

Council-owned public toilets clearly benefit people who use them. Their provision also benefits everyone who lives and works in the city, by protecting people in public places from the health hazards that would arise if there were no facilities or if facilities were not kept clean.

Who should pay?	
Whole community	100%

Since this activity benefits the whole community, the fairest and most effective way to fund it is through the general rate. Though individuals also benefit, the Council does not believe it would be appropriate to refuse access to people who cannot or will not pay.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 5.3.3: PUBLIC HEALTH REGULATIONS

This activity covers the Council's role in licensing and monitoring food outlets, licensing alcohol liquor outlets, registering and impounding dogs, responding to noise, nuisance, animal and litter complaints, and handling infectious disease investigations and trade waste activities.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – this activity protects against public health risks.

Who benefits?	
Whole community	75%
Individuals/Users	25%

The Council's public health work is a legislative requirementas set out by several laws including the sale and supply of alcohol Act, the Food Act, the Dog Control Act, the Litter Act and the Hazardous Substances and New Organism. It provides significant benefits to the community as a whole, including protection of the public from hazards such asunsafe food and diseases.

Most of this work involves protecting the public from hazards created or potentially created by identifiable businesses, people and dogs. There are benefits to individual businesses which could not legally operate without the Council providing these services, and there are benefits to individuals who have their complaints dealt with or otherwise are protected from a hazard or nuisance.

There are also a number of users who benefit from this activity. Businesses use Council services to monitor and licence their food and alcohol outlets. Dog owners benefit from the requirement of Dog Control Act. These users are charged a fee for the benefits they receive.

Who should pay?	
Whole community	40%
Individuals/Users	60%

As this work largely protects the community from harm, it is appropriate that the people or businesses potentially causing the harm should pay. The Council's public health activities include a range of user charges. For example, user charges recover about 75 percent of animal control costs. Some charges, such as those for liquor licensing, are determined by statute.

For some services, it is not appropriate or possible to charge users. For example, the cost of responding to public complaints about nuisance, litter, animals and other public health issues cannot be recovered as it would not be appropriate to charge those making the complaints and it is not always possible to identify the person or business responsible for the hazard. Overall, user charges recover about 60 percent of the cost of providing these public health services. Accordingly, the Council's target is to fund 65 percent of the cost of this activity through user charges.

Since the benefits to the community as a whole are significant, it is appropriate for the remaining costs to be funded from general rates.

Our funding targets: operating expenses	
User charges	65%
Other revenue	0%
Targeted rate	0%
General rate	35%
Total	100%

ACTIVITY 5.3.4: CITY SAFETY

This activity covers our efforts that are directed at making the city safe and ensuring people feel safe. This includes patrols by city safety officers, closed circuit television monitoring of some inner-city streets, and safety audits which identify necessary improvements such as better street lighting.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – this activity promotes individual wellbeing, safe neighbourhoods and a safe inner city.

Who benefits?	
Whole community	100%

Our city safety initiatives benefit the whole community. By preventing crime, these initiatives have a clear and tangible effect on residents' well-being. This, in turn, has several other positive spin-offs. Increased safety levels encourage people into the city centre, which makes the city more vibrant and also benefits retailers and other businesses. These efforts also contribute to civic pride by enhancing Wellington's reputation as a very safe city by national and international standards.

Though individuals benefit from reduced crime, the benefits are felt community-wide and are not exclusive to individuals. As a lot of this work is directed at the inner city it may be argued that there are greater benefits to those who live and work in the city than to residents who do not use the inner city often. However, making the city safer means even those who don't use the inner city are more likely to feel they have the option to safely access the inner city.

Who should pay?	
Whole community	100%

Since this activity benefits the community as a whole, the fairest and most effective way to fund it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 5.3.5: WELLINGTON REGIONAL EMERGENCY MANAGEMENT OFFICE (WREMO) AND RURAL FIRE

Wellington Regional Emergency Management Office (WREMO) provides a shared service to all the councils within the region. Its role is to help the city prepare for disasters such as earthquakes and floods, and to maintain the Council's Emergency Operations Centre at a state of readiness for response. WREMO works with government agencies, other councils in the region and international agencies.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – this agency works with all sectors of the community to ensure the city is well-prepared for earthquakes and other natural disasters.

Who benefits?	
Whole community	90%
Individuals/Users	10%

All residents and businesses benefit from preparation work to alleviate and cope with disasters like storms, floods and earthquakes. WREMO is a focal point for help and gives the entire community some comfort that a ready response is available to cope with disasters and quickly recover.

From time to time, WREMO may receive income in the form of grants from the Ministry of Civil Defence and Emergency Management, and other sources. However, this income varies significantly from year to year. We anticipate 5 percent revenue over the foreseeable future

Rural Fire and Fire Prevention

WCC contributes to the Wellington Rural Fire Authority (WRFA) which incorporates the rural fire capabilities and responsibilities of the Wellington, Kapiti, Upper Hutt, Lower Hutt and Porirua city councils.

Many Wellington properties back onto large areas of vegetation which can present a significant fire risk. The ability to provide fire suppression and prevention mechanisms benefits both the property owner and wider community through enhanced resilience.

Who should pay?	
Whole community	95%
User	5%

While individual property owners benefit from this work in the event of a large vegetation fire, the benefit to the whole community far outweighs this. The Council believes the fairest and most effective way to fund this activity is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

Urban Development

Directing growth and delivering quality

Nestled between harbour and hills, Wellington is a compact and dynamic city. We aim to preserve its special character, making sure developments are safe and in harmony with the environment. Our work in this area includes urban planning, building and development regulation, heritage protection and the development of public spaces.

Operating activities

With the exception of regulatory services, the majority of activities in this area are funded by the whole community via the General Rate. The funding sources are illustrated in the table below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Urban Development	Urban planning, heritage and public spaces development	6.1.1	Urban planning and policy	0%	0%	100%	100%	0%	0%	0%
		6.1.2	Waterfront development	0%	0%	100%	100%	0%	0%	0%
		6.1.3	Public spaces and centres development	0%	0%	100%	100%	0%	0%	0%
		6.1.4	Built heritage development	0%	0%	100%	100%	0%	0%	0%
		6.1.5	Housing development	0%	0%	100%	100%	0%	0%	0%
	Building and development control	6.2.1	Building control and facilitation	65%	0%	35%	35%	0%	0%	0%
		6.2.2	Development control and facilitation	45%	0%	55%	55%	0%	0%	0%
		6.2.3	Earthquake risk mitigation - built environment	0%	0%	100%	100%	0%	0%	0%
		6.2.4	Regulator - Building Control and Facilitation Weathertight Homes	0%	0%	100%	100%	0%	0%	0%
Transport	Transport	7.1.1	Transport planning	0%	0%	100%	100%	0%	0%	0%
		7.1.2	Vehicle network	0%	5%	95%	95%	0%	0%	0%
		7.1.3	Cycle network	0%	5%	95%	95%	0%	0%	0%
		7.1.4	Passenger transport network	0%	80%	20%	20%	0%	0%	0%
		7.1.5	Pedestrian network	0%	5%	95%	95%	0%	0%	0%
		7.1.6	Network-wide control and management	15%	15%	70%	70%	0%	0%	0%
		7.1.7	Road safety	0%	20%	80%	80%	0%	0%	0%
		7.1.8	Lets Get Wellington Moving	0%	0%	100%	100%	0%	0%	0%
	Parking	7.2.1	Parking	100%	0%	0%	0%	0%	0%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Urban development capital expenditure projects are funded through a combination of rates funded depreciation and borrowings.

Urban development – activity funding commentary

6.1 Urban Planning, Heritage and Public Spaces Development

ACTIVITY 6.1.1: URBAN PLANNING AND POLICY

The Council wants to ensure the city grows in ways that encourage high-quality development and produce the best long-term result for everyone. To do this, we will use appropriate controls to guide development, particularly in key areas of the city. This includes guiding development in the northern part of the city where rapid growth is expected in the coming years. Implementing and updating the District Plan to respond to key issues such as resilience and facilitate growth are high priorities.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – this activity ensures the city's built form is developed in appropriate ways

- *A dynamic and sustainable economy* – urban planning is focused on intensive urban development and alongside our urban containment policies are designed to prevent sprawls and enhance our transport and lifestyle choices.

- *A dynamic and sustainable economy* **-** this activity shapes how the built form and urban culture of the city is developed into the future

Who benefits?	
Whole community	100%

Urban planning ensures the city grows in a controlled way that is environmentally sustainable, enhances community cohesion, and encourages high-quality developments. While the Northern Growth Management Framework is obviously specific to that area, the benefits of improved infrastructure and co-ordinated growth will be felt city-wide.

Who should pay?	
Whole community	100%

The Council seeks to build stronger communities through funding this activity. Our aim is to make Wellington even more liveable – making it a great place to be by offering a variety of places to live, work and play within a high quality public environment. Since the community as a whole benefits from this work, it is appropriate for general ratepayers to bear the costs.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 6.1.2: WATERFRONT DEVELOPMENT

The Wellington waterfront is a key area of the city. We oversee its development in line with a guiding policy, the Wellington Waterfront Framework. Management of waterfront development is carried out by a Council controlled organisation, Wellington Waterfront Limited.

Our role includes preparing an annual work plan that outlines short and long- term development proposals for the waterfront and funding the operations of Wellington Waterfront Limited.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - the waterfront offers safe open spaces that welcome and engage people and encourage them to stay.

- *A dynamic and sustainable economy* – the waterfront is an accessible and unique component of the inner city that offers opportunities for relaxation, recreation and leisure.

Who benefits?	
Whole community	100%

This work benefits the whole community by making the city more attractive and vibrant, and providing valuable recreation opportunities. Through development of public spaces that complement the natural beauty of the waterfront, the image and the “sense of place” that people have for the city is enhanced. Waterfront development attracts people into the city, supporting social cohesion and aiding the economy.

While the direct beneficiaries are mainly people who choose to visit the waterfront, these benefits are not exclusive. When one person visits Queen’s Wharf or Frank Kitts Park, that doesn’t stop anyone else from being in the area too. Nor would it be practical or acceptable to identify users of the waterfront and require them to pay. Similarly, though people living in the inner city benefit from better access to the waterfront, this is outweighed by the benefits to all people in the city.

The operational spending for this activity covers planning and public consultation. All residents benefit from the opportunity to have their views heard.

Who should pay?

Whole community	100%

Since the community as a whole benefits from this work, it is appropriate for general ratepayers to bear the costs.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 6.1.3: PUBLIC SPACES AND CENTRES DEVELOPMENT

We fund work to develop the street environments, urban parks and squares, and other public areas in the city and suburban centres. We aim to make these areas safe, accessible and attractive, with plenty of green space. This activity includes facilitation of the city's public artworks and consultation, planning and co-ordination of suburban centre upgrades.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – development of public squares and parks enhances people's enjoyment of the city and contributes to our civic pride and our 'sense of place'.

- *A dynamic and sustainable economy* – public spaces are an important component of the inner city providing accessible opportunities for relaxation, recreation and leisure for residents and visitors. High-quality developments make the city a more attractive place to live, attract visitors and support business opportunities.

Who benefits?	
Whole community	100%

This work benefits the whole community by enhancing the urban environment, making the city safer and contributing to the vibrancy of Wellington. All residents and visitors to the city are able to enjoy its public spaces. While those who use city or suburban shopping areas, urban parks, squares and other public areas receive direct benefits, these benefits are not exclusive and it would not be desirable or acceptable to require people to pay for them directly. Similarly, though individual suburbs benefit from work on suburban centres, these upgrades are not restricted to particular areas of the city – upgrades either have been carried out recently or are timetabled across many suburbs.

As well as enhancing the environment, development of city and suburban centres benefits the economy and enhances people's pride in the city.

Who should pay?	
Whole community	100%

While centre development provides a clear benefit to geographical suburban areas, targeted rates to fund these activities are not considered appropriate given the broad benefit to the community as a whole, and that centre upgrades are scheduled to occur throughout the city. The public good benefit over-rides any direct benefit to individual communities. However, if a suburban community asks for a higher standard of upgrade, or an earlier timeline than the Council has planned, the Council may consider imposing a targeted rate.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 6.1.4: BUILT HERITAGE DEVELOPMENT

In order to promote Wellington as a place that celebrates its landmarks and heritage, we work to help protect and restore the city's heritage assets.

The District Plan ensures heritage buildings, trees, monuments and other assets, and sites of significance to tangata whenua, are recognised and that controls are in place to manage changes to or removal of these assets.

Our work in this area includes maintaining an inventory of heritage sites, restoring significant heritage buildings in public ownership and upgrading heritage sites.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – heritage buildings contribute to the city's distinct identity and enhance its sense of place.

Who benefits?	
Whole community	100%

This work benefits the whole community by protecting the city's heritage. Preservation of city landmarks enhances the city's image, makes it more attractive, and contributes to people's sense of history and community pride. The community also benefits from enhancement of publicly-owned heritage assets.

Who should pay?	
Whole community	100%

Since the community as a whole benefits from this work, it is appropriate for general ratepayers to bear the costs.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 6.1.5: HOUSING DEVELOPMENT

Council has developed a Housing Strategy which aims to ensure that all Wellingtonians are well housed with four key outcomes met:

- Wellington has a well-functioning housing system
- Homes in Wellington are of good quality high quality and are resilient
- Homes meet the needs of Wellingtonians
- The Wellington housing system supports sustainable, resilient, and connected communities

Delivery of this strategy would include activities such as:

- Building conversions in the Central Business District.
- Establishing partnerships with Community Housing Providers (CHP's).
- Working effectively with property developers to create opportunities to alleviate pressure on the housing market.
- Through various acquisitions and disposals, maximise the use of Council assets.

As part of the wider housing strategy and work programme, Council would work to identify appropriate Council assets which can be disposed of so that the proceeds can be utilised and directed toward new housing developments that better meet the needs of the community.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – Encouraging Housing initiatives so that Wellingtonians can enjoy quality Housing at a level which is affordable.

- *A sustainable, climate friendly eco capital* – Housing in Wellington is sustainable so that the impact on the environment and infrastructure networks is minimised without compromising on comfort and quality of life.

Who benefits?	
Whole community	50%
Individuals/Users	50%

Work funded by this activity would benefit individuals who currently cannot access quality affordable housing. Developments arising from this activity would allow more affordable housing to be available on a greater scale than is currently the case.

However the community as a whole also benefits through improving the overall availability and quality of the city's housing stock.

Who should pay?	
Whole community	100%

Council is seeking to ensure that all Wellingtonians are well housed. As much of the work in this activity is strategic in nature with broadly delivered benefits through a quality framework it is appropriate for general rate payers to bear the cost.

While the private market does provide housing, this activity seeks to encourage development which would not occur without Council's support. This activity is therefore Council's input and support over and above the costs incurred by the private market and to seek to recoup the cost would defeat the purpose of Council support.

Given this and the benefits to the community as a whole, the fairest and most effective way to fund it is from general rates.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

6.2 Building and Development Control

ACTIVITY 6.2.1: BUILDING CONTROL AND FACILITATION

The Council has a statutory responsibility under the Building Act and the Resource Management Act to control building developments. This includes ensuring buildings are safe and sanitary, and do not threaten environmental quality or public health.

Work includes issuing and monitoring building consents - we have building guidelines to make sure buildings meet the required standards. We also have responsibilities under the Fencing of Swimming Pools Act to ensure all swimming pools are adequately fenced.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - All cities control building work according to the provisions of the Building Act and codes. These controls are necessary to protect public health and safety, and to protect future users of land and buildings.

Who benefits?	
Whole community	20%
Individuals/Users	80%

Our building control work benefits private individuals – the people and companies that build or redevelop homes, offices and other buildings. Our work ensures these buildings are safe and meet legal requirements. These benefits apply to buildings which, in almost all cases, are for private and exclusive use. The people who use our building consent services are clearly identifiable and can be stopped from using the service if they refuse to pay.

Similarly, the beneficiaries of our efforts to ensure swimming pools are adequately fenced are private individuals – those people who own and use private swimming pools and those who are kept safe because pools are fenced.

Who should pay?	
Individuals/Users	65%
Whole community	35%

While individuals receive the benefits of our building control work, we are constrained in our ability to recover costs from those individuals. User charges for some activities are set by law or regulation. For some activities, the law prevents us from charging at all.

In addition, to meet all the costs of building consents through user charges we would need to raise the charges to a level that may create an incentive for homeowners to avoid the consent process and carry out illegal building work.

These factors mean that, historically we have been able to recover only about half the cost of this activity through user charges. Recent efforts to improve this rate of cost recovery have resulted in some improvements, however additional costs accruing from the Building Act have off-set these gains. Accordingly, the Council's target is to fund 50 percent of the cost of this activity through user charges. However, we plan to raise this target over time.

Our funding targets: operating expenses	
User charges	65%
Other revenue	0%
Targeted rate	0%
General rate	35%
Total	100%

ACTIVITY 6.2.2: DEVELOPMENT CONTROL AND FACILITATION

The Council has a statutory responsibility under the Resource Management Act to ensure land and other resources are used sustainably. The District Plan, adopted in 2001 after public consultation, contains specific policies relating to land and resource use in the city. Due to recent change in legislation, noise control activities are now governed by the Resource Management Act. We administer the District Plan, regulating developments to ensure they are safe, sustainable and meet public expectations. Specific activities, including issuing resource consents, monitoring compliance and dealing with complaints about environmental matters, are covered by this activity.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - All cities control development work according to the provisions of the Resource Management Act and District Plan. These controls are necessary to ensure resources are used sustainably, to protect public health and safety, and to protect future users of land and buildings. They're also needed to protect urban character and to preserve the city's heritage.

Who benefits?	
Whole community	40%
Individuals/Users	60%

The main beneficiaries of this work are the individual people and businesses involved in land subdivision and development or use of other resources. This work helps ensure the developments are safe, sustainable and meet legal obligations.

There is also a significant public benefit. By controlling the safety and environmental effects of developments, we help prevent harm to members of the public both now and in the future.

Who should pay?	
Whole community	50%
Individuals/Users	50%

While individuals receive an estimated 60 percent of the benefit from the Council's resource consent work, our ability to recover costs from those individuals is sometimes limited. This is because services such as our front of house free. In addition, while individuals causing damage to the environment should bear the costs of dealing with their actions, it is not always possible to identify them.

The inclusion of noise control activities under the Resource Management Act also increases the proportion of costs that cannot be recovered through user fees and changes as it would not be appropriate to charge those making the complaints and it is not always possible to identify the person or business responsible for the hazard.

To meet 60 percent of the costs of resource consents through user charges would require raising them to a level that may create a disincentive for growth and development of the city, potentially harming the economy.

These factors mean that, historically, we have been able to recover only about a third of the cost of this activity through user charges.

Our funding targets: operating expenses	
User charges	45%
Other revenue	0%
Targeted rate	0%
General rate	55%
Total	100%

ACTIVITY 6.2.3: EARTHQUAKE RISK MITIGATION – BUILT ENVIRONMENT

Earthquake Resilience is a key focus for Wellington City Council. The Council has a statutory responsibility under the Building Act to mitigate the risks that earthquakes may have on structures. This activity covers that work and also the contribution that the Council may make to localised earthquake assessments.

Community outcome
This activity contributes towards the following outcome

- *A people friendly, compact, safe and accessible capital city* - Wellington's high earthquake risk means this work is critical. It protects public safety, as well as preserving the city's heritage and the economic investment made in buildings and infrastructure.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 6.2.4: BUILDING CONTROL AND FACILITIATION – WEATHERTIGHT HOMES

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - by providing resolution to the weathertight homes issue, by supporting repairs to provide healthier and more resilient homes.

Who benefits?	
Whole community	100%

Resolving weathertight homes issues provides benefits to the Community as a whole. Through no fault of their own, individuals are stuck with leaky homes which can, in the worst circumstances, affect the health and well-being of those living there. Ensuring homes get fixed improves the health and well-being of individuals and reduces the call on the Community's health services. It also ensures the quality of housing stock available to residents in the City.

It is not considered that the actions or inactions of any individuals or group have directly contributed to the requirement to address the resolution of weathertight homes issues.

Who should pay?	
Whole community	100%

Since the activity benefits the community as a whole, the fairest and most effective way to ultimately fund it is from general rates. The quantum of the liability required to be funded will likely necessitate the use of borrowings to spread the cost and ensure that the affordability of any rates funding requirement is considered and managed.

Given the specific nature of the cost it is important that any borrowing and rate funding associated with this activity are transparent and that these funds are effectively ring fenced and only used for the specific purpose of settling weathertight homes claims and the associated interest costs from any related borrowings. There are minimal costs associated with a decision to fund this activity distinctly from other activities.

Our funding targets: operating expenses	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

Transport

Providing quality connections

We're responsible for Wellington's extensive transport network, and for planning for the city's future transport needs. We see a high-quality transport system as critical to the city's economy and quality of life. Our transport activities include looking after hundreds of kilometres of city roads, as well as accessways, footpaths, cycleways, parking facilities, traffic signs and signals, street lighting and pedestrian crossings. We also manage parking areas and have an ongoing programme of safety promotion.

Operating activities

The funding sources for this area are illustrated in the table below.

Activity Area	Activity Grouping	Activity		User Fees	Other Income	Rates	General	Residential Target	Commercial Targeted	Downtown Levy/Other
Transport	Transport	7.1.1	Transport planning	0%	0%	100%	100%	0%	0%	0%
		7.1.2	Vehicle network	0%	5%	95%	95%	0%	0%	0%
		7.1.3	Cycle network	0%	5%	95%	95%	0%	0%	0%
		7.1.4	Passenger transport network	0%	80%	20%	20%	0%	0%	0%
		7.1.5	Pedestrian network	0%	5%	95%	95%	0%	0%	0%
		7.1.6	Network-wide control and management	15%	15%	70%	70%	0%	0%	0%
		7.1.7	Road safety	0%	20%	80%	80%	0%	0%	0%
		7.1.8	Lets Get Wellington Moving	0%	0%	100%	100%	0%	0%	0%
	Parking	7.2.1	Parking	100%	0%	0%	0%	0%	0%	0%

Capital Expenditure

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Transport capital expenditure projects are funded through a combination of NZTA subsidies, rates funded depreciation and borrowings.

Transport – activity funding commentary

7.1 Transport

ACTIVITY 7.1.1: TRANSPORT PLANNING

The mixed modes and changing demands on transportation means that transportation planning becomes increasingly important. The Council's work in this area is closely linked to the work that we carry out under urban development. We also incorporate travel demand management planning as a component part of our overall transport and urban planning work.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – the transport network provides people with accessible and safe transport choices, from their homes to shops, for work, recreation and pleasure, including walkways and bikeways.
- *An innovative, inclusive and creative city* – the transport network provides accessible and safe transport choices that connect people with each other and with places locally, nationally and internationally, including for commerce and trade.
- *A dynamic and sustainable economy* - a network that is efficient means fewer cars are stuck in traffic meaning less emissions are produced
- *A dynamic and sustainable economy* – A network that allows easy movement of people and goods is vital for business and a significant competitive advantage.

Who benefits?	
Whole community	100%

This activity is of benefit to the whole community.

A well planned transportation network plays an important part in making the city more liveable. It provides for the efficient movement of freight and it allows for people to be better connected, aiding social cohesion.

Who should pay?	
Whole community	100%

Our funding targets: operating expenses

User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 7.1.2: VEHICLE NETWORK

We manage a vehicle network that includes 699 kilometres of urban and rural roads, 1,236 kilometres of kerbs and channels, 76 bridges and large culverts and four tunnels, as well as all related pavements and service lanes. As steward of the roads in a hilly harbour city, we are also responsible for maintaining more than 3,200 retaining walls, sea walls and accessway walls that support and protect transport corridors. Network maintenance activities include planned work as well as responding to unexpected events, such as removing debris and returning roads to service after storms or slips.

Port access is also part of our vehicle network management activities, as the efficient movement of freight to and from the port is an important contributor to the city's economy. We work with port authorities to find appropriate solutions to the movement of freight which minimise negative impacts for other users of the vehicle network.

Community outcome
This activity contributes towards the following outcome

- *A people friendly, compact, safe and accessible capital city* – our road network safely and efficiently accommodates more than 40,000 people driving around the city each day, for work and recreation.

Who benefits?	
Whole community	100%

The city's vehicle network is a vital public asset. Roads are available for all residents and visitors to use. It benefits all residents by providing the means for safe, efficient travel. This benefits the economy and is also important for social reasons. An efficient vehicle network allows people to travel to work, visit friends and family, and get their children to school.

This 'public good' aspect of the vehicle network is reflected in the fact that Council's responsibility for providing and maintaining the network is enshrined in law. Under the current law, we cannot charge anyone for using it. The vehicle network is not in competition with any privately-provided alternative.

The direct beneficiaries of the vehicle network are road users. This includes everyone who drives private cars, as well as businesses that use roads for commercial purposes such as transporting goods. There are also many indirect beneficiaries, including people who do not often leave their homes but receive road-based services like meals on wheels or mail deliveries.

Who should pay?

Whole community	95%
Other	5%

It could be argued that the commercial sector receives a higher direct benefit than city residents, and that heavy commercial vehicles also cause more wear and tear on the roading network than private cars. However, it's not possible to reasonably assess how much cost and benefit is directly attributable to different groups of road users, and Council currently has no legal means to impose direct costs on road users.

This means that because the community as a whole benefits, the fairest approach is to fund costs in this activity from general rates.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the vehicle network activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 7.1.3: CYCLE NETWORK

Council has committed to an extensive cycleways improvement programme to improve access for people on bikes in the city and suburbs. Over the past 15 years, six out of ten new commuters have chosen to walk or cycle to work. With as many as 50,000 to 80,000 additional people expected to settle in Wellington by 2043, continuing this trend is vital if we want to minimise the need for costly road capacity improvements.

Cycleways require regular maintenance to remain safe – surfaces need to be smooth, lanes need to be clearly marked, and cycle stands and maintenance stations need to be provided at appropriate parking points. Maintaining cycleways to a high standard is critical if we want more people to see cycling as a safe and attractive transport choice.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – our cycle and pedestrian networks accommodate nearly 25,000 walking and cycling commuters each day and provide for easy and affordable movement to and around the city.

- *A dynamic and sustainable economy* - the cycle network reflects our commitment to sustainable, safe and efficient transport choices.

Who benefits?	
Whole community	100%

Cycleways are available to all and provide significant benefits to the whole community, supporting the health, wellbeing and prosperity of the people who live, work, play and invest in our city.

The direct beneficiaries of the city's cycleways are the people who use them. This includes cyclists and pedestrians who use the cycleways as de facto walkways. Cycleways provide these users with both transport and recreational opportunities. There are also many indirect beneficiaries, because as part of a multi-model transport network, cycleways contribute towards reducing the amount of vehicle traffic, which in turn makes the city's roads safer and less congested.

Who should pay?	
Whole community	100%

Because the community as a whole benefits from our provision of the cycleway network, the fairest approach is to fund costs in this activity from general rates.

Identifying and charging individual users would be both inefficient and impractical. It's likely that imposing a user charge would discourage people from using cycleways, meaning that the health, sustainability and transport benefits of cycleways would be lost.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the cycle network activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 7.1.4: PASSENGER TRANSPORT NETWORK

While Greater Wellington Regional Council (GWRC) is responsible for the provision of public transport services, Council is committed to playing a key role in supporting the city's public transport network. Our aim is to encourage greater use of the bus and rail networks, as this delivers social and sustainability benefits, including improved energy efficiency and reduced pollution.

The Lambton Quay Bus Interchange is owned and operated by Council (this is because legislation in force at the time prevented GWRC from owning this asset). GWRC contributes a capped amount of funding towards the operation and maintenance of the Bus Interchange. Subsidised expenditure includes utilities costs, cleaning, maintenance and security services.

Council provides and maintains the special bus lane markings on roads throughout the city. Council has also committed to a significant programme of local bus priority capex improvements (which will affect this activity through higher interest charges).

Council was previously responsible for managing the cleaning and maintenance of bus shelters, bus stops and bus signs, with costs being reimbursed by GWRC. Responsibility for this work was transitioned across to GWRC in 2016, at which time we removed both the expenditure and the income (GWRC cost recoveries) from the LTP. This change had a net nil impact on the amount of rates funding required for this activity.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – our passenger transport network safely and efficiently accommodates people using public transport services to travel around the city each day, for work and recreation.

Who benefits?	
Whole community	100%

The city's public transport network is a vital public asset which is available for all residents and visitors to use. It benefits the whole community by providing the means for safe, efficient travel. This benefits the economy and is also important for social reasons. An efficient public transport network allows people to travel to work, visit friends and family, and get their children to school.

While individual users of public transport receive the most direct benefit, there are also many indirect beneficiaries. As part of a multi-model transport network, public transport services contribute towards reducing the amount of vehicle traffic, which in turn makes the city's roads safer and less congested. Encouraging the use of public transport also has wider sustainability benefits for the community, including improved energy efficiency and reduced pollution.

Who should pay?	
Whole community	20%
Other	80%

Because the community as a whole benefits, the fairest approach is to fund costs in this activity from general rates.

However, Council receives a share of the revenue generated from Adshel advertising on bus shelters and pedestrian canopies in the city. This income is leveraged to reduce the rates funding requirement for the passenger transport activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	80%
Targeted rate	0%
General rate	20%
Total	100%

ACTIVITY 7.1.5: PEDESTRIAN NETWORK

Over the past 15 years, six out of ten new commuters have chosen to walk or cycle to work. With as many as 50,000 to 80,000 additional people expected to settle in Wellington by 2043, continuing this trend is vital if we want to minimise the need for costly road capacity improvements.

Maintaining a safe and connected pedestrian network is an important part of our transport strategy. We maintain more than 893 kilometres of footpaths as well as pedestrian (street) furniture such as canopies, seats, bollards and fountains.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – our cycle and pedestrian networks accommodate nearly 25,000 walking and cycling commuters each day and provide for easy and affordable movement to and around the city.

- *A dynamic and sustainable economy* - the pedestrian network reflects our commitment to sustainable, safe and efficient transport choices

Who benefits?	
Whole community	100%

The pedestrian network is available to all and provides significant benefits to the whole community, supporting the health, wellbeing and prosperity of the people who live, work, play and invest in our city.

The direct beneficiaries of the city's pedestrian network are the people who use them. Footpaths and accessways provide these users with both transport and recreational opportunities. There are also many indirect beneficiaries, because as part of a multi-modal transport network, the pedestrian network contributes towards reducing the amount of vehicle traffic, which in turn makes the city's roads safer and less congested.

Who should pay?	
Whole community	100%

Because the community as a whole benefits from our provision of the pedestrian network, the fairest approach is to fund costs in this activity from general rates.

Identifying and charging individual users would be both inefficient and impractical. It's likely that imposing a user charge would discourage people from using footpaths and accessways, meaning that the health, sustainability and transport benefits of cycleways would be lost.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the pedestrian network activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 7.1.6: NETWORK-WIDE CONTROL AND MANAGEMENT

Network management is crucial in a modern, efficient vehicle network.

Our traffic control system includes 117 sets of traffic lights, closed circuit television cameras and a central traffic computer system which allows us to optimise traffic flows to ensure the safe, efficient and balanced flow of traffic. This minimises safety risks, congestion, delays and pollution.

Road markings and signs provide information and guidance to drivers and assist with traffic flow, traffic control and traffic safety, especially at night and in poor weather conditions. This significantly enhances safety for all users of our transport networks, and also supports efficient parking management.

Other network management activities include the administration of National legislation and Council's bylaws and policies relating to the non-ordinary, temporary use of the transport network.

We manage Corridor Access Requests (around 6,000 per year) for works in the Transport Corridor (now mainly utility works approvals under the National Code of Practice for Utility Access to Transport Corridors), as well as monitoring, inspecting and auditing these works to ensure compliance during the work and reinstatement.

We also review and approve Temporary Traffic Management Plans (around 1,000 per year), as well as managing delegations for self-approvals, which are administered in line with NATA's Code of Practice for Temporary Traffic Management.

Other network management activities include issuing and managing licences and permits for other uses of the transport network, such as for construction loading zones, trading, sandwich boards, events, busking, street appeals, temporary signage and overweight vehicles.

Community outcome
This activity contributes towards the following outcomes:

- *A people friendly, compact, safe and accessible capital city* – our road network safely and efficiently accommodates more than 40,000 people driving around the city each day, for work and recreation. Our pedestrian and cycle networks deliver the same outcomes for more than 25,000 walking and cycling commuters each day.

- *An innovative, inclusive and creative city* – the network provides transport choices that connect people with each other and with places locally.

- *A dynamic and sustainable economy* - the network reflects our commitment to sustainable, safe and efficient transport choices

Who benefits?	
Whole community	100%

Traffic control, signs and marking work allows for better traffic flows. Controlling traffic flows allows us to manage the diverse and competing demands of motorists, pedestrians, cyclists and public transport users. It improves the safety and efficiency of our transport system, which delivers social and commercial benefits by improving connections between communities and the city.

Network management activities optimise accessibility and utilisation of the transport network for a wide variety of activities and users, while minimising the adverse effects on other users of the network. This enables the city to remain internationally competitive by accommodating world class activities and events and promoting vibrancy, innovation and ongoing development of the city and its infrastructure.

Who should pay?	
Whole community	70%
User charges	15%
Other	15%

The cost of administering network management activities such as Corridor Access Requests, Temporary Traffic Management Plans, and other approvals or licences for uses of the transport network is largely recovered through user charges. Note that we are constrained by legislation as to what costs we are able to recover for this work. Also note that both the costs and the revenue for this work is a relatively small percentage of the total cost for the network control activity.

Because the community as a whole benefits, the fairest approach is to fund the remaining costs in this activity from general rates.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the network control activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	15%
Targeted rate	15%
General rate	70%
Total	100%

ACTIVITY 7.1.7: ROAD SAFETY

Delivering a safe road network is a fundamental goal of our Transport strategy. Providing and maintaining safety assets such as street lighting, safety fences and rails, as well as leading road education and promotion activities, significantly enhances safety for all users of our transport networks.

Community outcome
This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* – our road network safely and efficiently accommodates more than 40,000 people driving around the city each day, for work and recreation. Our pedestrian and cycle networks deliver the same outcomes for more than 25,000 walking and cycling commuters each day.

Who benefits?	
Whole community	100%

Work funded by this activity reduces accidents and promotes the safety of the transport network. The benefits are felt by the whole community, including road users (private and commercial), pedestrians, cyclists, residents and tourists.

Street and pathway lighting improves safety and personal security through increased visibility. Safety fences and rails protect pedestrians from lateral falls of more than 1 metre, provide assistance to pedestrians negotiating hilly paths, highlight hazards for drivers, and act as protective barriers to ensure the safe and convenient use of the transport network.

Who should pay?	
Whole community	80%
Other	20%

Because the community as a whole benefits, the fairest approach is to fund costs in this activity from general rates.

However, a small percentage of our costs are actually funded by the New Zealand Transport Agency (NZTA) through National Land Transport Fund (NLTF) subsidies, which pass on funding from fuel taxes gathered by Central Government. The amount subsidised by NZTA varies from year to year depending on the work programme (which affects eligibility for subsidy) and the amount of funding that NZTA has made available for qualifying activities. This income is leveraged to reduce the rates funding requirement for the road safety activity.

Our funding targets: operating expenses	
User charges	0%
Other revenue	20%
Targeted rate	0%
General rate	80%
Total	100%

7.2 Parking

ACTIVITY 7.2.1: PARKING

The Land Transport Act 1998 gives the Council power to impose parking controls as a road controlling authority. We are responsible for managing road space for various purposes, including parking. We also have an enforcement role.

The management of Council-controlled on-street and off-street parking also helps to achieve the objectives and principles of the recently adopted Parking Policy 2020, and through that how parking supports achieving the overall vision for Wellington.

Community outcome

The Council's vision for Wellington is built around people and communities. The future city will be a place where people and goods can easily move to and through the city, based on a transport system that can accommodate moving more people using fewer vehicles. We have also taken an environmental and resilience leadership role and have set a goal to be a zero-carbon capital by 2050.

As our city changes and evolves over time, we want to make sure we don't lose what makes our city special for so many people – its dynamic compact urban form that offers the lifestyle, entertainment, retail and amenities of a much bigger city.

In addition to being a place of creativity, exploration and innovation, we want to ensure the central city continues to support the regional economy.

As Wellington city grows, the demand for the limited supply of on-street and Council off-street space will also grow. This demand must be managed to reduce congestion and ensure reasonable access for all.

As parking demands vary in different locations throughout the city, we have set priorities for different types of areas within the city:

- key transport routes
- the central area (central business district)
- suburban town centres – such as the shopping precincts of Kilbirnie, Johnsonville, Tawa, Karori
- city fringe areas
- residential streets
- our parks, sports, recreation and other community facilities
- Council-managed off-street parking.

This pressure will be highest in business and retail centres where there are concentrations of public services, and at recreation facilities. Improvements to support active and public transport will require extra road space to operate safely and efficiently.

The direct beneficiaries of the Council's parking services are clearly those people who use car parks. These benefits are private and exclusive. Two people cannot use the same car park at the same time and it is appropriate to charge people for using car parks. The Council's parking services operate in competition with other private sector providers.

It might also be argued that retailers benefit directly from the Council's provision of car parks. However, there is no practical way of assessing whether people are using car parks to go shopping or for other purposes such as recreation.

Who benefits?	
Whole community	25%
Individuals	75%

In the future parking will be priced at a level that achieves policy objectives, is consistent with broader transport objectives and supports Let's Get Wellington Moving. The overall approach to pricing favours making smaller pricing changes more frequently over larger infrequent changes. The Council will ensure that any increases are reasonable, justifiable, well communicated, and linked to The Parking Policy objectives. The pricing methodology will be based on achieving the best use and highest priority uses for the parking spaces. Pricing will better reflect the demand, the land value and the opportunity and environmental costs of providing parking.

Since the principal benefit from the Council's parking services is to identifiable individuals it is appropriate for them to bear the costs through user charges. The community also receives benefits from the Council's parking activities as it helps to reduce the impact of future rates increases.

Who should pay?

Individuals	100%

While it might be argued general ratepayers should meet 25 percent of the costs, reflecting the benefit to the community as a whole, this would be inappropriate for a number of reasons. First, the level of demand for car parks suggests people using them believe they represent good value. As the principal benefit is to these individuals, it is appropriate to set user charges at a level the market will accept. Second, the Council's parking services operate in competition with private car park operators and setting lower fees would unfairly disadvantage those operators and potentially reduce the supply of off-street parking in the city. Third, the individuals using car parking spaces also benefit through being able to use ratepayer-funded roads and footpaths, and their contribution through parking fees offsets the cost of providing these services.

This activity recovers significantly more revenue, through enforcement and meter charges than the operating costs. The Council believes this is appropriate as it supports over time, a change towards other more sustainable forms of transport and ensures that those choosing to park in Council provided parking are contributing to the cost of providing it.

Our funding targets: operating expenses	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%
Total	100%

Attachment 6 Proposed Fees and Charges:

Our 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.

We are seeking feedback on the proposed fees and user charges changes alongside the Consultation Document.

In line with that policy, we're proposing some changes, fees and charges in the following areas:

- Botanic Gardens
- Waterfront Public Spaces
- Sewerage Collection and Disposal Network
- Arts Partnerships
- Swimming Pools
- Sportsfields
- Recreation Centres
- Municipal Golf Course
- Community Centres & Halls
- Burials and Cremations
- Building Control & Facilitation
- Public Health Regulations
- Development Control & Facilitation
- Network-wide control & Management
- Marinas
- Parking
- Waste minimisation, disposal and recycling management

The resulting changes to fees will be implemented as of 1 July 2021 and are inclusive of GST. Where Bylaw changes are required, the start date of the new charge or user fee will be once the new bylaw has been adopted. For more information see www.Wellington.co.nz

Botanic Gardens 2.1.2	**Current Fee**	**Proposed Fee**
Soundshell/The Dell/Leonard Cockayne Lawn/Magpie lawn sites	$180 non-refundable booking fee	$200
Begonia House	$700 (4hrs) - $1,000 (full evening)	$750 - $1,100
Leonard Cockayne/Treehouse seminar room	½ day $280, Full day $480, $40 - $80/hr	½ day $300, Full day $500
Discovery Garden group visits*	$2.50 - $4 per school student visits	$4 - $5
Commercial filming in gardens	$120 - $400	$150 - $430

2.1.9 Waterfront Public Spaces	**Current Fee**	**Proposed Fee**

Harbourside Market Monthly Fee Small Unpowered	$165.00	$175.00
Harbourside Market Monthly Fee Medium Unpowered	$235.00	$248.00
Harbourside Market Monthly Fee Large Unpowered	$1,050.00	$1,100.00
Harbourside Market Monthly Fee Small Powered	$200.00	$210.00
Harbourside Market Monthly Fee Medium Powered	$285.00	$300.00
Waterfront Food Trucks Daily Unpowered	$45.00	$50.00
Waterfront Food Trucks Daily Powered	$50.00	$55.00

Outdoor Licences		
Outdoor Licence	Range $5m2-$75m2 ***1**	$75/m2
***1** *Dependant on lease, operating hrs, sun hrs, wind etc*		

2.4.1 Sewerage collection and disposal network	**Current Fee**	**Proposed Fee**
Volume - Up to 100m3/day	$0.32	$0.34
Volume - above 100m3/day, but below 7,000 m3	$0.14	$0.15
Volume - above 7,000 m3	$0.98	$1.04
Bichemical Oxygen Deman - Up to 3,150kg/day	$0.34	$0.36
Bichemical Oxygen Deman - above 3,150kg/day	$0.75	$0.79
Suspended solids - up to 1,575kg/day	$0.33	$0.35
Suspended solids - above 1,575kg/day	$0.66	$0.63

4.1.6 Arts Partnerships
5% price increase on Leases.

5.1.1 Swimming Pools	**Current Fee**	**Proposed Fee**
General Entry		
Adult Swim	$6.30	$6.60
Adult Concession Pass (10 trip)	$56.70	$59.40
Child Swim	$3.70	$3.90
Child Concession Pass (10 trip)	$33.30	$35.10
Under 5	Free	$3.90
Family Pass	$16.50	$17.00

Hotspots (Spa, Sauna & Steam)		
Spa & Sauna (Freyberg, Keith Spry & WRAC)	$6.00	$6.40

Spa, Sauna & Swim (Freyberg, Keith Spry & WRAC)	$10.00	$10.00
Steam room (Freyberg only)	$5.00	$5.00
Spa – Medium (Thorndon & Tawa)	$5.00	$5.00
Spa & Swim – Medium (Thorndon & Tawa)	$7.50	$8.50
Spa – Large (Karori)	$5.00	$5.40
Spa & Swim – Large (Karori)	$7.50	$8.40
Child Spa only (all pools)	$2.60	$3.00
Child Spa & Swim (all pools)	$4.90	$5.40
Spa or Sauna Top Up	$1.20	Discontinued
WRAC - Child Hot Spot Top Up	$1.00	Discontinued

Hotspots 10 Trip Concessions		
Spa & Sauna (Freyberg, Keith Spry & WRAC) – **10 trip**	$54.00	$57.60
Spa, Sauna & Swim (F'berg, Keith Spry & WRAC) – **10 trip**	$90.00	$93.60
Steam room (Freyberg only) **– 10 trip**	$45.00	$45.00
Spa – Medium (Thorndon & Tawa) **– 10 trip**	$45.00	$45.00
Spa & Swim – Medium (Thorndon & Tawa) **– 10 trip**	$67.50	$72.00
Spa – Large (Karori) **– 10 trip**	$45.00	$48.60
Spa & Swim – Large (Karori) **– 10 trip**	$67.50	$75.60
Child Spa only (all pools) **– 10 trip**	$23.40	$27.00
Child Spa & Swim (all pools) **– 10 trip**	$44.10	$48.60

Swim Memberships		
Swim Membership Adult - Direct Debit (Fortnightly)	$28.62	$29.98
Swim Membership Adult - Direct Debit (Monthly)	$62.00	$64.96
Swim Membership Adult - Upfront (Yearly)	$740.00	$775.00
Swim Membership Child - Direct Debit (Fortnightly)	$16.70	$17.50
Swim Membership Child - Direct Debit (Monthly)	$36.20	$37.90
Swim Membership Child - Upfront (Yearly)	$434.80	$455.50

Leisurecard (policy is 50% discount of entry fees)		
Adult Swim	$3.00	$3.30
Child Swim	$1.90	$1.90
Under 5		$1.90
Family Pass	$8.30	$8.50

Spa & Sauna (Freyberg, Keith Spry & WRAC)	$3.00	$3.20
Spa, Sauna & Swim (Freyberg, Keith Spry & WRAC)	$5.00	$5.00
Steam room (Freyberg only)	$2.50	$2.50
Spa – Medium (Thorndon & Tawa)	$2.50	$2.50
Spa & Swim – Medium (Thorndon & Tawa)	$3.80	$4.30
Spa – Large (Karori)	$2.50	$2.70
Child Spa only (all pools)	$1.30	$1.50
Child Spa & Swim (all pools)	$2.50	$2.70
Swim Membership Adult - Direct Debit (Fortnightly)	$14.31	$14.99
Swim Membership Adult - Direct Debit (Monthly)	$31.00	$32.48
Swim Membership Adult - Upfront (Yearly)	$370.00	$387.50
Swim Membership Child - Direct Debit (Fortnightly)	$8.36	$8.75
Swim Membership Child - Direct Debit (Monthly)	$18.10	$18.95
Swim Membership Child - Upfront (Yearly)	$217.40	$227.75
Note: SuperGold Card, Community Services Card and Student ID received 20% discount to General Entry, Hotspots fees and Swim Memberships.		

Lane & Pool Hire		
Pools - KSP Dive Well	$16.40	$17.20
Pools - KSP Dive Well Commercial	$33.00	$60.00
Pools - Lane Hire 25m	$8.20	$8.60
Pools - Lane Hire 25m Commercial	$16.40	$30.00
Pools - Lane Hire 25m Half	$4.10	$4.30
Pools - Lane Hire 25m Half Commercial	$8.20	$15.00
Pools - Tawa Pool Teaching Pool	$25.50	$27.00
Pools - Tawa Pool whole	$51.00	$55.00
Pools - Whole (excl WRAC)	$85.20	$90.00
Pools - Whole (excl WRAC) Commercial	$170.40	$200.00
Pools - WRAC 25m Section	$82.00	$90.00
Pools - WRAC 25m Section Commercial	$164.00	$300.00
Pools - WRAC 50m Section	$164.00	$180.00
Pools - WRAC 50m Section Commercial	$367.20	$600.00
Pools - WRAC Hydro Lane Hire Commercial	$20.00	$30.00
Pools - WRAC Hydro Whole Commercial	$80.00	$120.00
Pools - WRAC Lane Hire 50m	$16.40	$18.00
Pools - WRAC Lane Hire 50m Commercial	$32.80	$60.00
Pools - WRAC Small 2m pool whole	$32.80	$36.00

Swim Programmes (per lesson)		
School Swim	$1.30	$1.60
SwimWell – Infant	$10.80	$12.50
SwimWell – Preschool	$12.00	$12.50
SwimWell – School Age (Jellyfish to Bronze Sharks)	$14.00	$14.50
SwimWell – Silver & Gold Sharks	$15.00	$15.50
SwimWell – Platinum & Taniwha	$15.50	$15.50
Note: LeisureCard 20% discount will be applied to SwimWell fees as per the agreed scheme.		

5.1.2 Sportsfields	Current Fee	Proposed Fee
NATURAL TURF SPORTSFIELDS		
Rugby, League, Soccer/Football, Aussie Rules		
Casual		
Level 1	$145.00	$ 150.00
Level 2	$110.00	$ 115.50
Seasonal		
Level 1	$2,425.00	$ 2,546.25
Level 2	$1,625.00	$ 1,706.25
Level 3	$1,300.00	$ 1,365.00
Softball/Baseball		
Casual		
Level 1	$180.00	$ 185.00
Level 2	$130.00	$ 135.00
Seasonal		
Level 1	$780.00	$819.00
Level 2	$520.00	$546.00
Cricket		
Casual		
Level 1	$388.00	$400.00
Level 2	$256.00	$268.80
Seasonal		
Level 1	$3,000.00	$3,150.00
Level 2	$2,500.00	$2,625.00
Training		

Ground Only (Unserviced)		
1 night	$108.00	$110.00
1 night (season)	$400.00	$ 420.00
2 nights (season)	$770.00	$ 800.00
3 nights (season)	$1,170.00	$ 1,200.00
Ground and Changing Rooms		
1 night	$200.00	$ 210.00
1 night (season)	$850.00	$ 880.00
2 nights (season)	$1,650.00	$ 1,700.00
3 nights (season)	$2,480.00	$ 2,580.00
Newtown Park/Athletics track (School use)- 1/2day NEW	$ -	$ 60.00
Newtown Park Function room/Hr (School use) NEW	$ -	$ 20.00

Synthetic Turf (Full size)	**Current FeeBB**	**Proposed Fee**
Peak (mon-Fri after 4pm, Sat 8am - 5pm, Sun 7am - 9pm)	$77.50	$82.50
Off peak (Mon-Fri anytime before 4pm, Sat before 8am and after 5pm)	$50.00	$52.00
Junior/College per hr	$38.00	$40.00
Weekend Daily rate/Tournament/Events	$800.00	$825.00

Nairnville & Terawhiti Turfs		
Peak (mon-Fri after 4pm, Sat 8am - 5pm, Sun 7am - 9pm)	$54.00	$56.50
Off peak (Mon-Fri anytime before 4pm, Sat before 8am and after 5pm)	$33.00	$34.50
Junior/College per hr	$27.00	$28.00

National Hockey Stadium (per Turf)	$36,210.00	$37,100.00

5.1.4 Recreation Centres	**Current Fee**	**Proposed Fee**
Facility Hire Houry Rates		
ASBSC Court Hire	$60.00	$64.00
ASBSC Hall Hire	$360.00	$384.00
ASBSC Meeting Room Large	$41.00	$45.00

ASBsC Meeting Room Small	$20.50	$25.00
ASBSC Table Tennis	$16.00	$18.00
ASBSC Third Hall Hire	120.00	$128.00
ASBSC Volley Ball	$38.00	$41.00
Commuity ReC Centre Whole Court Hire	$50.00	$55.00
Commuity Rec Centre Whole Court Hire (off peak)	$30.00	$33.00
Commuity Rec Centre Half Court Hire	$28.50	$31.00
Commuity Rec Centre - 1/4 Gym Hire (Badminton/Volley Ball)	$16.00	$18.00
Commuity Rec Centre - Squash Court	$8.50	$9.00
Commuity Rec Centre - Tabe Tennis	$16.00	$18.00
Commuity Rec Centre - Meeting Room Commercial	$37.00	$45.00
Commuity Rec Centre - Meeting Room Non Commercial	$18.00	$20.00
Commuity Rec Centre - Meeting Room Semi Commercial	$25.00	$30.00
Kilbirnie Rec Centre - Hire	$60.00	$70.00
Admissions		
Casual use entry - Adult	$3.50	$4.00
Casual use entry - Child	$2.00	$3.00
ASBsC - Have A Go	$4.00	$4.50
ASBSC - Youth Night	$2.00	$2.00
Kilbirnie Rec Centre - Child on Wheels	$3.50	$4.00
Kilbirnie Rec Centre - Adult on Wheels	$5.00	$6.00
Kilbirnie Rec Centre - Tinytown Earlybird	$6.80	$7.00
Kilbirnie Rec Centre - Tinytown Entry	$4.50	$5.00
Kilbirnie Rec Centre - Skate Hire	$3.50	$4.00
Leagues & Programmes (Examples)		
Adult Basketball League	$80.00	$85.00
Adult Netball League	$55.00	$60.00
Kids Basketball League	$28.00	$30.00
Kids Miniball League	$22.50	$25.00
Pakour School Age	$10.50	$11.50
Parkout Adult/Advanced School Age	$12.50	$13.50
Preschool Baby Jam (Casual)	$4.20	$4.50
Preschool Programme Casula 30 mins	$7.50	$8.00
Preschool Programme Casula 45 mins	$9.50	$10.00
ASBSC - School Programme (per child)	$1.50	$1.70

5.1.8 Golf	Current Fee	Proposed Fee

LeisureCard/Junior	$15.00	$15.75
Adults: Round Weekdays	$20.00	$21.00
Adults: Round Weekends	$20.00	$21.00
Disc Golf	$5.00	$5.50

5.2.6 Community Centres and Halls	**Current Fee**	**Proposed Fee**
Community groups (per hour)	$17.90	$19.00
Commercial (per hour)	$23.50	$25.00
Private event (per hour)	$29.10	$30.00
Commercial private (per hour)	$39.90	$42.00
Venue security check fee (one off)	$50.90	$50.90

Burials and Cremations 5.3.1	**Current Fee**	**Proposed Fee**
Karori & Makara Cemetery		
Cremation:		
Delivery Only	$692.00	$726.00
Committal Service	$846.00	$888.00
Full Service (1 Hour)	$902.00	$947.00
Child	$190.00	$200.00
Ash Interments	$163.00	$173.00
Ash disinterment	$263.00	$289.00
Ash plot maintenance fee	$163.00	$179.30
Cremation overtime	$311.00	$342.00
Public Holiday fee (Cremations)	$592.00	$621.00
Outside District Casket Interment	$1,020.00	$1,071.00
Burials:		
Denominational Plots	$1,206.00	$1,266.00
Plot maintenance	$821.00	$903.00
Interment Fee	$656.00	$688.00
Beam fee	$175.00	$183.75
Lawn Cemetery plot maintenance	$574.00	$631.40
Public Holiday fee (Burials)	$864.00	$907.00
Seaforth Memorial plots	$946.00	$990.00
Natural Burials:		
Plot	$1,351.00	$1,500.00
Interment Fee	$976.00	$1,025.00
Maintenance Fee	$643.00	$700.00
Miscellaneous:		
Chapel Hire (Full service)	$210.00	$250.00
Chapel Hire for cremation elsewhere	$-	$250.00

Plot Search - 4 & over (per search)	$15.00	$20.00
Permits	$84.00	$92.00
Temporary Grave markers	$142.00	$149.00
Change of Deed	$70.00	$77.00
Bronze Plaques	$1,200.00	$1,260.00
Rimu Urn - Adult	$90.00	$94.50
Rimu Urn - Adult Half Size	$75.00	$78.75
Ash Scattering overtime	$195.00	$214.50
Funerals booked from 3:30pm	$195.00	$214.50
Viewing casket charge	$82.00	$90.00
Late for Service fee (hr)	NEW	$50.00
Cleaning Fee (hr)	NEW	$50.00

Public Health Regulations 5.3.3	**Current Fee**	**Proposed Fee**
Application Fee - High	$1,351	$2,351
Application Fee - Very high	$1,594	$3,594
Annual Fee - High	$1,366	$2,366
Annual Fee - Very high	$1,898	$3,898
Alcohol fees bylaw	76%	85%

6.2.1 Building control and facilitation		
Fee / Charge Name	**Current Fee**	**Proposed Fee**
Building Consent Fees		
Administration and pre-application meetings		
Pre-application meetings: consent officer / expert / compliance officer (2 hours total officer time free, then a charge per hour thereafter).	$163.50	$209.28
Administration fee for refunds on cancelled, lapsed or superseded consents	$103.00	$131.84
Administration fee (other) - hourly rate	$103.00	$131.84
Time extension		
Time extension fee (based on actual Admin & Inspector time).	$133.25	$170.56
Time extension - additional inspectors time, hourly rate	$163.50	$209.28
Restricted building work check		
Restricted building work check (per notification)	$51.50	$65.92
Applications		
Simpli online applications	$51.75	$51.75
Paper applications	$10.00	$12.80
Minor Works		

Drainage/Plumbing (val less than $5000)	$307.50	$393.60
Free Standing Fireplace	$204.00	$261.12
In-built fireplace	$430.00	$550.40
Additional Inspection fee (per hour)	$163.50	$209.28
Lodgement Fee		
All applications (except minor works)	-	-
Lodging Fee for Building Consents	$103.00	$131.84
Plan Check		
Less than $10,000 (Residential 1, 2 and 3)	$367.00	$469.76
Less than $10,000 (Commercial 1 and 2 buildings)	$570.75	$730.56
Less than $10,000 (Commercial 3 buildings)	$734.00	$939.52
$10,001 - $20,000 (Residential 1, 2 and 3)	$815.50	$1043.84
$10,001 - $20,000 (Commercial 1 and 2 buildings)	$815.50	$1043.84
$10,001 - $20,000 (Commercial 3 buildings)	$815.50	$1043.84
$20,001 - $100,000 (Residential 1, 2 and 3)	$897.25	$1148.48
$20,001 - $100,000 (Commercial 1 and 2 buildings)	$897.25	$1148.48
$20,001 - $100,000 (Commercial 3 buildings)	$897.25	$1148.48
$100,001 - $500,000 (Residential 1, 2 and 3)	$979.00	$1253.12
$100,001 - $500,000 (Commercial 1 and 2 buildings)	$1,468.50	$1879.68
$100,001 - $500,000 (CCommercial 3 buildings)	$1,468.50	$1879.68
$500,001 - $1,000,000 (Residential 1, 2 and 3)	$2,283.75	$2923.20
$500,001 - $1,000,000 (Commercial 1 and 2 buildings)	$2,609.75	$3340.48
$500,001 - $1,000,000 (Commercial 3 buildings)	$2,935.75	$3757.76
$1,000,000 + (Residential 1, 2 and 3)	$3,018.00	$3863.04
$1,000,000 + (Commercial 1 and 2 buildings)	$3,018.00	$3863.04
$1,000,000 + (Commercial 3 buildings)	$3,018.00	$3863.04
for each $500,000 or part thereof over $1,000,000	$774.75	$991.68
Consent Suspend Fee (to reivew additional information), charge per additional hour of officer re-assessment time.	$163.50	$209.28
Plan check for fast track consents		
Fast Track - consents only - issued within 10 days (criteria applies, and applications will only be accepted on a case by case basis)	2 x consent approval charges	2 x consent approval charges
Fast Track - consents only - issued within 5 days (criteria applies, and applications will only be accepted on a case by case basis).	3 x consent approval charges	3 x consent approval charges
Multi-proof Consent		
Multi-proof consent (applications using a national multi-use approvals (NMUA) as means of compliance	-	-
Lodgement fee	$103.00	$131.84

Plan check - est 3 hours	$489.50	$626.56
Additional time per hour	$163.50	$209.28
Code Compliance Certificate		
All applications (except minor works)	-	-
Residential 1, 2 and 3	$103.00	$131.84
Commercial 1 and 2 buildings	$103.00	$131.84
Commercial 3 buildings	$129.75	$166.08
Building Inspections		
Hourly charge: the initial payment is based on estimate of inspections required. The final charges are based on actual time.	$163.50	$209.28
Structural Check & Additional Charges		
Structural fee for checking elements of specific design on projects comprising structural works, supported by a producer statement from a Chartered professional engineer	-	-
Residential 1, 2 and 3 structural work (on plan reviews)	$291.50	$373.12
Commercial 1 and 2 structural work (on plan reviews)	$397.25	$508.48
Commercial 3 structural work (on plan reviews)	$725.75	$928.96
Residential 1, 2 and 3 structural work (for amended plans)	$328.50	$420.48
Commercial 1 and 2 structural work (for amended plans)	$328.50	$420.48
Commercial 3 structural work (for amended plans)	$434.25	$555.84
Engineer's hourly charge (including internal overheads and contract management) over and above deposit	$293.00	$375.04
Contract management hourly charge, over and above deposit	$139.75	$178.88
Deposit for all levels of buildings requiring structural checking not supported by a producer statement from a chartered professional engineer	$725.75	$928.96
Levies		
BRANZ and Dept of Building and Housing (DBH) levies apply to all work valued at $20,000 or more. For staged projects the levies are to be assessed on the total project value	$1.00	$1.00
MBIE levy per $1,000 (of project value)	$1.75	$1.75
Compliance Schedule		
New compliance schedule (linked with Building Consent). This is the minimum charge (based on one hour of processing), additional charges will apply for time taken over this, at $226 per hour for additional hours	$244.75	$313.28

Additional charge per hour for new compliance schedule (linked with Building Consent)	$163.50	$209.28
Alterations and amendments to compliance schedule (linked to building consent or application for amendment to CS Form 11) will be charged on a time-taken basis at $163.50 per hour of officer time.	$163.50	$209.28
Minor compliance schedule amendments - change of owner/ agent, minor changes to Compliance Schedule requested by owner/ agent. This is the minimum charge (based on 15 min of processing). Additional charges will apply for time taken over this, at $226 per hour for additional hours. (Application for amendment to Compliance Schedule required Form 11).	$41.00	$52.48
Additional processing time per hour	$163.50	$209.28
Certificate Lodgement		
Processing time per hour	$163.50	$209.28
Preparation of legal documents (covers first two hours of processing time)	$308.50	$394.88
Certificate of Public use (CPU)		
Initial fee (includes 1 hour processing time)	$163.50	$209.28
Processing time over 1 hour	$163.50	$209.28
Lodgement fee	$77.00	$98.56
Amended Plan		
Initial fee (includes 1 hour processing time)	$163.50	$209.28
Processing time over 1 hour	$163.50	$209.28
Lodgement fee	$77.00	$98.56
PIM (additional resouce & Vehicle Access fees may apply)		
Single residential dwelling including accessory buildings	$408.25	$522.56
Other	$489.50	$626.56
Certificates of Acceptance		
Includes deposit for inspections. Additional inspections charged at $226 per hour.	-	-
Urgent	-	-
Lodgement fee	$103.00	$131.84
Less than $10,000 (Residential 1, 2 and 3)	$693.50	$887.68
Less than $10,000 (Commercial 1 and 2 buildings)	$897.25	$1,148.48
Less than $10,000 (Commercial 3 buildings)	$1,060.75	1,357.76
$10,001 - $20,000 (Residential 1, 2 and 3)	$1,142.00	1,461.76
$10,001 - $20,000 (Commercial 1 and 2 buildings)	$1,142.00	1,461.76
$10,001 - $20,000 (Commercial 3 buildings)	$1,142.00	1,461.76
$20,001 - $100,000 (Residential 1, 2 and 3)	$1,549.75	1,983.68
$20,001 - $100,000 (Commercial 1 and 2	$1,549.75	1,983.68

buildings)		
$20,001 - $100,000 (Commercial 3 buildings)	$1,549.75	1,983.68
$100,001 - $500,000 (Residential 1, 2 and 3)	$1,631.50	2,088.32
$100,001 - $500,000 (Commercial 1 and 2 buildings)	$2,120.25	2,713.92
$100,001 - $500,000 (Commercial 3 buildings)	$2,120.25	2,713.92
$500,001 - $1,000,000 (Residential 1, 2 and 3)	$2,935.75	3,757.76
$500,001 - $1,000,000 (Commercial 1 and 2 buildings)	$3,262.25	4,175.68
$500,001 - $1,000,000 (Commercial 3 buildings)	$3,588.75	4,593.60
$1,000,000 + (Residential 1, 2 and 3)	$3,670.00	4,697.60
$1,000,000 + (Commercial 1 and 2 buildings)	$3,670.00	4,697.60
$1,000,000 + (Commercial 3 buildings)	$3,670.00	4,697.60
for each $500,000 or part thereof over $1,000,000	$774.75	991.68
Consent Suspend Fee (to reivew additional information), charge per additional hour of officer re-assessment time.	$163.50	209.28
Non-Urgent	-	-
Lodgement fee	$154.50	197.76
Less than $10,000 (Residential 1, 2 and 3)	$1,040.25	1,331.52
Less than $10,000 (Commercial 1 and 2 buildings)	$1,347.00	1,724.16
Less than $10,000 (Commercial 3 buildings)	$1,591.13	2,036.65
$10,001 - $20,000 (Residential 1, 2 and 3)	$1,713.00	2,192.64
$10,001 - $20,000 (Commercial 1 and 2 buildings)	$1,713.00	2,192.64
$10,001 - $20,000 (Commercial 3 buildings)	$1,713.00	2,192.64
$20,001 - $100,000 (Residential 1, 2 and 3)	$2,324.63	2,975.53
$20,001 - $100,000 (Commercial 1 and 2 buildings)	$2,324.63	2,975.53
$20,001 - $100,000 (Commercial 3 buildings)	$2,324.63	2,975.53
$100,001 - $500,000 (Residential 1, 2 and 3)	$2,447.26	3,132.49
$100,001 - $500,000 (Commercial 1 and 2 buildings)	$3,180.38	$4,070.89
$100,001 - $500,000 (Commercial 3 buildings)	$3,180.38	$4,070.89
$500,001 - $1,000,000 (Residential 1, 2 and 3)	$4,403.64	$5,636.66
$500,001 - $1,000,000 (Commercial 1 and 2 buildings)	$4,893.38	$6,263.53
$500,001 - $1,000,000 (Commercial 3 buildings)	$5,383.13	$6,890.41
$1,000,000 + (Residential 1, 2 and 3)	$5,504.99	$7,046.39
$1,000,000 + (Commercial 1 and 2 buildings)	$5,504.99	$7,046.39
$1,000,000 + (Commercial 3 buildings)	$5,504.99	$7,046.39
for each $500,000 or part thereof over $1,000,000	$1,162.13	$1,487.53
Consent Suspend Fee (to review additional information), charge per additional hour of	$245.25	$313.92

officer re-assessment time.		
MBIE levy per $1,000 (of project value)	$2.01	$2.01
Health Assessment		
Building Consent base fee	$260.00	$332.80
Additional charge for over 2 hours processing time	$130.00	$166.40
Tradewaste management		
Accessing building consent including trade wate element	$135.00	$172.80
Building Warrant of Fitness		
Independent Qualified Person (IQP) Registration Fee (New & Renewal)	$163.50	$209.28
Additional charge for each new competency registered	$77.00	$98.56
Building Warrant of Fitness - Annual Certificate. This is the base charge for 1 specified system. Additional charges will apply for time over 1 hour	$81.75	$209.28
Building Warrant of Fitness - Annual Certificate. This is the base charge for 2 - 10 specified systems. Additional charges will apply for time taken over 2 hours	$163.50	$418.56
Building Warrant of Fitness - Annual Certificate. This is the base charge for 11+ specified systems. Additional charges will apply for time taken over 3 hours	$244.75	$627.84
Building Warrant of Fitness Inspection (per hour)	$163.50	$209.28
Change of Use		
Lodgement fee	$103.01	$131.85
Initial fee (includes 2 hour processing time)	$327.00	$418.56
Processing over 2 hours - per hour	$163.50	$209.28
Swimming Pool		
Pool fencing inspection per hour.	$163.50	$209.28
Special Activity and Monitoring		
Hourly charge for officer time considering proposals and monitoring compliance	$163.50	$209.28
LIM and Information Services		
LIMs : Residential	$333.25	$426.56
Fast track residential LIMs	$499.50	$639.36
LIMs: Commercial Base Fee	$777.75	$995.52
LIMs : Per hour after 7 hrs	$103.01	$131.85
Property Reports: Building Consents	$155.50	$199.04
Property Reports: Multi-residential 3-8 unit property	$227.00	$290.56
Property Reports: Multi-residential 9+ unit property	$241.01	$308.49
Accreditation Levy		

Accreditation levy – payable on all building consents to cover costs of meeting criteria under the Building (Accreditation of Building Consent Authorities) Regulations 2006 (per $1000 value of works)	-	0.5 per $1,000 project value

6.2.2 Development Control and Facilitation		
Fee / Charge Name	**Current Fee**	**Proposed Fee**
Resource Consent Fees		
Pre-application meetings: this will instead be invoiced as an additional charge on a per hour basis for the time spent by the Council officer/s involved.		
Non-notified consent: land use	$1,650.00	$2,145.00
Non-notified consent: subdivision	$2,000.00	$2,600.00
Non-notified consent: subdivision and land use / Notice of Requirement	$2,700.00	$3,510.00
Limited notified consent: subdivision and/or land use / Notice of Requirement	$8,400.00	$10,920.00
Fully notified consent: subdivision and/or land use / Notice of Requirement	$16,000.00	$20,800.00
All other approvals including:		
Outline plan approval	$1,040.00	$1,352.00
Certificate of compliance	$1,040.00	$1,352.00
Existing use certificates	$1,040.00	$1,352.00
Extension of time (s125)	$1,040.00	$1,352.00
Change or cancellation of conditions (s127)	$1,040.00	$1,352.00
Consents notices (s221)	$1,040.00	$1,352.00
Amalgamations (s241)	$1,040.00	$1,352.00
Easements (s243), right of way or similar	$1,040.00	$1,352.00
Outline plan waiver	$300.00	$390.00
Certificates: Town Planning, Sale of Liquor, Overseas Investments, LMVD - up to 2 hrs planner / advisor, 1 hr admin	$385.00	$500.50
Premium consent - non-notified consents only - issued within 10 working days (conditions apply, applications will be accepted on a case-by-case basis)	2 x normal fee	2 x normal fee
Premium consent - non-notified consents only - issued within 5 working days (conditions apply, applications will be accepted on a case-by-case basis)	3 x normal fee	3 x normal fee
Boundary activity	$465.00	$604.50
Marginal or temporary activities (fixed fee)	$310.00	$403.00
Additional Charges	-	-
Additional hours (per hour):	$155.00	$201.50

All pre-application meetings and consents: additional processing hours ('per hr) planner / advisor / compliance officer	$155.00	$201.50
Councillor costs per hour for any hearing:	-	-
Chairperson	$87.00	$113.10
Other	$70.00	$91.00
Bylaw Application	-	-
Applications relating to signs (eg commercial sex premises) - up to 6 hrs	$900.00	$1,170.00
Compliance Monitoring		
Monitoring administration of Resource Consents: subdivision or land use - minimum of 1 hr, then based on actual time over and above that	$155.00	$201.50
Additional hours (per hr):	-	-
planner / expert / compliance officer	$155.00	$201.50
administrative officer	$90.00	$117.00
Subdivision Certificate		
Certification for s224(c):	-	-
up to 6 hrs	$900.00	$1,170.00
Certification for s223, s224(f), s226 etc:	-	-
up to 2 hrs	$310.00	$403.00
combination of 2 or more - up to 6 hrs	$900.00	$1,170.00
All other RMA, Building Act, Unit Titles Act and LGA certificates, sealing, transfer documents etc - up to 2 hrs (disbursements, eg photocopying will be charged separately)	$310.00	$403.00
Bonds: preparation and/or release - up to 2 hrs	$310.00	$403.00
Additional hours (per hour)		
Planner/expert/compliance staff	$155.00	$201.50
Administrative officer	$90.00	$117.00
Vehicle Access		
Plan check linked to a building consent or resource consent	$310.00	$403.00
Received independently (small)	$315.00	$409.50
Received independently (multiple)	$530.00	$689.00
Initial inspection fee	$155.00	$201.50
Vehicle crossing inspection fee over 1 hour	$155.00	$201.50
District Plan Check		
Building consents with a project value under $20,000. Initial charge for the first 30 minutes, then additional charges ($180 per hour) for processing time above this.	$80.00	$104.00
Building consents with a project value over $20,001. Initial charge for the first hour, then additional charges ($180 per hour) for processing time above this.	$155.00	$201.50

7.1.6 – Network-wide control and management		
Fee	**Current Charge**	**Proposed Charge**
CAR fee – standard processing	$65	$75
CAR fee – extra processing	$80	$95
CAR fee – overdue penalty	N/A	$40
CAR fee – inspection	$90	$100
CAR fee – re-inspection	$90	$120
CAR fee - callout inspection	N/A	$150
CAR fee – late notice	$400	$440
CAR fee – further delay	$30	$35
CAR fee – texturizing (per m2)	$6 per m2	$7 per m2
Prior approvals - processing fee	$80	N/A
TMP fee – processing fee	$80	$95
TMP fee - extra processing	N/A	$95

7.2.1 Parking		
	Current	**Proposed**
Daily Coupon Fee	$12.00	$20.00
Monthly Coupon Fee	$200.00	$333.00
Loading Zone Parking Permits	$60.50	$80.00
Suburban Trade Parking	$12.00	$20.00
City Wide Parking fees – Weekdays	Ranges from $2.50-$4.50 per hour $2.50 $3.50 $4.50	Increase by $0.50 per hour across the board to: $3.00 $4.00 $5.00
CBD Trade Coupons	Full Day $45.00 Half Day $22.50 Weekend $22.50	$50.00 $25.00 $45.00
City Wide Parking fees - Weekends	$2.50 per hour	Increase by $2.00 to $4.50 per hour

5.1.7 Marinas				
Fee / Charge Name	**Marina**	**Current Fee**	**Proposed Fee**	**Movement**
Visitor Day	Evans Bay	$15.00	$30.00	$15.00
Visitor Month	Evans Bay	$307.00	$340.80	$33.80
Non tenant use of Breastwork (daily)	Evans Bay	$70.00	$77.70	$7.70

Berth	Evans Bay	$2,928.00	$3,250.10	$322.10
Berth (Sea Rescue Jetty)	Evans Bay	$1,721.00	$1,910.30	$189.30
Boat Shed (8 to 11)	Evans Bay	$1,154.00	$1,280.90	$126.90
Boat Shed (1 to 7, 12 to 32)	Evans Bay	$2,304.00	$2,557.40	$253.40
Boat Shed (33 to 46)	Evans Bay	$3,449.00	$3,828.40	$379.40
Dinghy Locker	Evans Bay	$344.00	$381.80	$37.80
Live-Aboard fee	Evans Bay	$603.00	$669.30	$66.30
Trailer Park	Evans Bay	$131.00	$160.00	$29.00
Mooring	Clyde Quay	$1,165.00	$1,293.20	$128.20
Boat Shed (2 to 13)	Clyde Quay	$2,443.00	$2,711.70	$268.70
Boat Shed (14 to 27)	Clyde Quay	$2,199.00	$2,440.90	$241.90
Boat Shed (28, 29)	Clyde Quay	$3,053.00	$3,388.80	$335.80
Boat Shed (38B)	Clyde Quay	$1,763.00	$1,956.90	$193.90
Boat Shed (38A to 42B, 48A, 48B	Clyde Quay	$2,531.00	$2,809.40	$278.40
Boat Shed (43A to 47B)	Clyde Quay	$2,933.00	$3,255.60	$322.60
Dinghy Rack	Clyde Quay	$204.00	$226.40	$22.40

2.2.1 Waste minimisation (Per Metric Tonne)	**Current Fee**	**Proposed Fee**
Commercial General Rubbish	$138.00	$175.38
Domestic General Rubbish	$170.00	$216.00
Green Waste	$58.10	$69.00
Sewerage Sludge	$230.00	$253.00
Special waste -asbestos	$208.50	$253.00
Special waste -other	$167.40	$210.45
Contaminated Soil	$87.00	$92.00

2021-31 10 YEAR PLAN RATES REMISSION POLICY

1. INTRODUCTION

In accordance with section 85 of the Local Government (Rating) Act, 2002:

i. A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if –
   a. the local authority has adopted a remissions policy under section 109 of the Local Government Act 2002, and
   b. the local authority is satisfied that the conditions and criteria in the policy are met.

ii. The local authority must give notice to the ratepayer identifying the remitted rates.

2. CIRCUMSTANCES WHERE A REMISSION MAY APPLY

2.1. RURAL OPEN SPACE REMISSION

REMISSION STATEMENT
The Council may grant a 50 percent remission of Base general rate on land classified as rural under the District Plan where the rating unit is rated under the Base differential and used principally for farming or conservation purposes.

POLICY OBJECTIVE
To provide rates relief for rural, farmland and open spaces.

CONDITIONS AND CRITERIA
Land used principally for farming or conservation purposes.

A rates remission of 50 percent of the Base general rate will be granted to rating units that are classified as rural under the District Plan and used principally for farming or conservation purposes. Under this policy, ‘principally for farming or conservation purposes’ is defined as where:

i. the rating unit (or property) exceeds 30 hectares in area; and
ii. 50 percent or more of the rateable capital value of the property is made up of the land value; and
iii. the principal use of the land is for conservation, agriculture, horticulture, pastoral or silviculture purposes, or for the keeping of bees, poultry or other livestock excluding commercial dog kennels or catteries.

2.2. REMISSIONS ON LAND USED PRINCIPALLY FOR GAMES OR SPORT

REMISSION STATEMENT
Where the Council considers a rating unit is used principally for games or sport, it will apply a 50 percent remission of Base general rate where the rating unit:

i. has a club licence under the Sale and Supply of Alcohol Act 2012; and
ii. would otherwise qualify as 50 percent non-rateable under Part 2, Schedule 1, of the Local Government (Rating) Act 2002; and
iii. the property is rated at the Base differential.

POLICY OBJECTIVE
To reduce the adverse financial impact of the Local Government (Rating) Act 2002 on land used principally for games or sports, occupied by clubs that hold a club licence and no longer qualify as 50 percent non-rateable.

CONDITIONS AND CRITERIA
This policy specifically excludes chartered clubs and clubs holding permanent charters.

2.3. REMISSION OF TARGETED RATES ON PROPERTY UNDER DEVELOPMENT OR EARTHQUAKE STRENGTHENING

REMISSION STATEMENT
The Council may remit part or all of the commercial sector targeted rate, Business Improvement District targeted rate and downtown targeted rate on land classified under the Council's *commercial, industrial and business differential* as defined within our Funding Impact Statement Rating Mechanisms, where the property is deemed to be 'not fit for purpose' due to the property being under development or due to the existing building being earthquake strengthened.

The Council may remit part or all of the Base sector targeted rate on land classified under the Council's *Base differential* (including residential) as defined within our Funding Impact Statement Rating Mechanisms, where the property is deemed to be 'not fit for purpose' due to earthquake strengthening.

POLICY OBJECTIVE
To provide rates relief for property temporarily not fit for purpose due to the property undergoing development or earthquake strengthening and therefore not receiving the benefits derived by contributing to the commercial, residential or downtown targeted rates.

CONDITIONS AND CRITERIA
To enable the remission statement above, 'not fit for purpose' is defined in this policy as where:

i. the property (rating unit), or an identifiable part of the property, will not hold sufficient consents to permit occupation; and
ii. the property (rating unit), or an identifiable part of the property, will not be used for any purpose, apart from the construction of buildings, premises or associated works, or earthquake strengthening works; and
iii. the property (rating unit), or an identifiable part of the property, will not generate any revenue stream.
iv. the remission will be granted on a pro-rata basis for the identifiable part of the property to which the above criteria (i – iii) apply, for the purpose of the remission this will be calculated based on the portion of the total floor area of the rating unit which is deemed 'not fit for purpose'.

The above criteria apply to, and must be met by, an entire rating unit as identified in the Council's rating information database (RID), or a clearly identifiable portion of the rating unit, and apply only for the period the building is not 'fit for purpose'.

2.4. REMISSION OF METERED WATER RATES

REMISSION STATEMENT
The Council may grant a remission on a water targeted rate (with water meter) where excess water consumption has occurred due to a leak beyond the point of supply on the ratepayer's property. The excess water consumption may only be remitted to the level of the current Greater Wellington Regional Council bulk water rate.

POLICY OBJECTIVE
The objective of this remission policy is to provide a measure of rates relief where a water leak has been detected on the ratepayer's property with a water meter, and prompt remedial action to repair the leak has been undertaken. The ratepayer remains responsible for water leaks, the pipes and the usage of water on their property in accordance with the Water Services Bylaw.

CONDITIONS AND CRITERIA
A remission of the water targeted rate (with a meter) may be granted for excess water consumption where the leak is the rate payer's responsibility (beyond the point of supply). Excess water consumption will be calculated as the difference between actual metered usage on the latest reading and the average daily metered usage over the last four readings prior to the leak. The full water rate will be charged on the average daily usage over the last four readings and the excess water consumption (as calculated above) will be

charged at the current Greater Wellington Regional Council bulk water rate. Where sufficient information is not available on historic readings, excess water consumption will be calculated as the difference between the latest reading prior to the fault being remedied, and the average daily metered usage over the last three monthly readings after the fault is remedied. This remission should only be applied for if:

i. the leak occurred on a metered water property; and
ii. excess water consumption has occurred through a broken or leaking pipe; and
iii. evidence is provided that the fault has been remedied within a reasonable time period and prior to the application for a remission.

In the event of a recurrence of a water leak, Council would require the ratepayer to get a condition assessment of the pipes on the property prior to any decisions to remit a subsequent remission.

2.5. REMISSION OF RATES FOR BUILDINGS REMOVED FROM THE EARTHQUAKE PRONE BUILDINGS LIST

REMISSION STATEMENT

The Council may grant a remission on a property's rates where the property was on the Council's Earthquake Prone Building List and the ratepayer has taken action to remove that building from the list (either by strengthening that building to above 33 percent of the New Building Standard (NBS) or by removing the building from the site).

The ratepayer may qualify for this remission for a period of rating years after the removal of the building from the Earthquake Prone Building list[2], or up until the building is sold (whichever comes first).

The terms of remission that apply are as follows:

a. a remission period of 3 years for all buildings (not applicable to the heritage remissions below) that are removed from the earthquake prone list; or
b. a remission period of 5 years for all buildings removed from the earthquake prone list that are listed on the Wellington City District Plan Heritage List; or
c. a remission period of 10 years for all buildings as per (b) and are identified by Heritage New Zealand as Category I on the New Zealand Heritage list; or
d. a remission period of 8 years for all buildings as per (b) and are identified by Heritage New Zealand as Category II on the New Zealand Heritage list.

[2] As maintained by Ministry of Business, Innovation & Employment

The ratepayer must apply for this remission within 12 months of the removal of the building from the earthquake prone building list (by issuance of a code of compliance for work performed).

For earthquake-prone buildings that have been seismically strengthened to > 33 percent NBS the following will apply:

a. the remission application will be accepted after the code of compliance has been issued for the building following completion of the seismic strengthening project;
b. the remission shall equate to the rates (general rate, downtown targeted rate, commercial industrial and business sector or base sector targeted rates, stormwater network and sewerage rates) payable due to any rating valuation uplift[3] that may arise from seismic strengthening works; if there has been no rating valuation uplift on the property as a result of seismic strengthening work then no remission will apply.

The valuation uplift from seismic strengthening works will be calculated as:

Final Improvement Value $ per m2 (A)	-	Initial Improvement Value $ per m2 (B)	x	Initial floor area of earthquake prone building (C)

A = This is the total improvement value portion of the revaluation of the whole rating unit (after issuance of the code of compliance and after removal of building from the Earthquake Prone Building List) divided by the floor area at the time of issuance of the code of compliance, after removal of the building from the Earthquake Prone Building List.

B = This is the total improvement value portion of the rateable value of the earthquake prone building at the time the building consent for earthquake strengthening work is approved, divided by the floor area of the earthquake prone building at the time the building consent for earthquake strengthening work is approved.

C = This is the floor area of the earthquake prone building at the time the building consent for earthquake strengthening work is approved.

[3] Rating valuation adjustments will occur either as part of the Council's three-yearly city wide revaluation cycle, or through adjustments that occur in between cycles where improvement works have taken place resulting in a measurable value change. Ratepayers will be notified of any valuation change in both circumstances. Under both circumstances rates are not impacted until the next rating year commencing 1 July. Officers reserve the right to use their discretion in determining valuation changes that may arise from, and relate to, seismic strengthening under this policy.

The valuation uplift amount that has been calculated using the above methodology will be used to calculate the rates remission for the duration of the remission. The valuation uplift amount will not be re-calculated to take into account any future changes to the building's valuation post the first valuation assessment carried out after removal from the Earthquake Prone Building List (by issuance of a code of compliance). For clarity, changes in land value are excluded from the above calculations and any remission calculation.

For earthquake prone buildings that have been removed from the site the following will apply:

a. the remission application will be accepted after evidence of the building removal has been provided to Council and the building has been removed from the earthquake prone building list; and
b. the remission will be calculated as 10 percent of the rates (general rate, downtown targeted rate, commercial industrial and business sector or base sector targeted rates, stormwater network and sewerage rates) payable on the property, on the valuation post removal of the earthquake-prone building from the site, for each of the three years following the acceptance of the remission application.

POLICY OBJECTIVE

The objective of this remission policy is to minimise the rates impact of valuation increases arising for ratepayers who have taken positive action to address the structural safety of their earthquake-prone buildings, or remove their unsafe buildings.

CONDITIONS AND CRITERIA

A remission of rates may apply under the following conditions and criteria:

i. the building must have been on the Earthquake Prone Buildings list;[4]
ii. the ratepayer must have taken action to remove their building from this list either through seismic strengthening or building removal;
iii. the remission must be applied for within 12 months of the building being removed from the Earthquake Prone Buildings list and will relate to the following specified number of rating years only (the ratepayer does not need to re-apply in subsequent years). The terms of remission that apply are as follows:
    a. for all buildings (not applicable to the heritage remissions below) that are removed from the earthquake prone list, the ratepayer may apply for this remission for a total period of 3 years; or

    b. for all buildings removed from the Earthquake Prone Building List that are listed on the Wellington City District Plan Heritage List, the ratepayer may apply for this remission for a total period

[4] As maintained by Ministry of Business, Innovation & Employment

of 5 years after the removal of the building from the Earthquake Prone Building List; or

c. for all buildings as per (b) and are identified by Heritage New Zealand as Category I on the New Zealand Heritage list, the ratepayer may apply for this remission for a total period of 10 years after the removal of the building from the Earthquake Prone Building List; or

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d. for all buildings as per (b) and are identified by Heritage New Zealand as Category II on the New Zealand Heritage list, the ratepayer may apply for this remission for a total period of 8 years after the removal of the building from the Earthquake Prone Building List.

iv. the remission will not be available retrospectively for buildings already removed from the Earthquake Prone Building List prior to this policy being implemented;
v. the remission is only available to a ratepayer who has taken action to remedy their building. It will not be available to a third-party purchaser of the building even if a sale took place within the remission period applicable to that building being removed from the Earthquake Prone Buildings list; and
vi. for earthquake prone buildings that have been removed from the site, evidence must be provided to Council of the building removal and the building must have been removed from the Earthquake Prone Building List.

Valuation changes
Wellington City Council is currently on a three-yearly valuation cycle for all properties in the city.

Rating valuations are also subject to adjustments at any time between the valuation cycles when there has been a measurable value change, usually triggered by consented improvement works.

Ratepayers will be notified when the capital value of their property has changed. Rates will be calculated using the new capital value from the next rating year commencing 1 July.

Application
This remission may be applied for at any time during the year. If approved by Council officers the remission will take effect either from the next rating year (1 July), or will be backdated to take effect from the start of the current rating year at the nomination of the ratepayer and agreement of Council officers. The remission will cease after the specified number of years from the agreed effective start date, or up until the building is sold (whichever comes first).

2.6. REMISSION FOR NATURAL DISASTERS AND EMERGENCIES

REMISSION STATEMENT
In order to provide relief to ratepayers where a natural disaster or other type of emergency affects one or more rating unit's capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit all or part of any rate or charge where it considers it fair to do so, based on the criteria below. Individual events causing a disaster or emergency are to be identified by Council resolution. Council may develop further guidance as to how it implements the criteria below at that time depending on the nature and severity of the event and available funding at the time. Council will exercise its discretion depending on the nature and severity of the event. Note that Greater Wellington Regional Council rates will still apply.

POLICY OBJECTIVE
The objective of this remission policy is to provide a measure of rates relief where a natural disaster or other type of emergency affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time.

CONDITIONS AND CRITERIA
Council may remit all or part of any rate or charge assessed in relation to a particular rating unit where:

i. a natural disaster or other type of emergency has affected its capacity to be inhabited, used or otherwise occupied for an extended period of time
ii. Council considers it fair to do so and has identified the individual event causing a disaster or emergency through Council resolution
iii. it meets any further guidance provided by Council as to how Council will implement the above criteria for the particular event, depending on the nature and severity of the event and available funding at the time

2.7. REMISSION FOR FIRST HOME BUILDERS

REMISSION STATEMENT
The Council may grant a rate remission on a new residential dwelling (including apartments) on a separate rating unit, where construction is completed after 01 July 2017 within the boundaries of Wellington City Council.

The remission will be up to a maximum of $5,000 (including GST). To qualify for this remission, the applicant must meet the following criteria:

- be a New Zealand permanent resident or citizen;
- this will be their first home and
- the home must be a new build.

The earliest the remission can be applied for is after a building code compliance certificate has been issued by the Council for the rating unit. The remission will end once the $5,000 (including GST) has been remitted or when the rating unit is sold (whichever comes first).

The remission shall apply to all Wellington City Council rates assessed on the rating unit. Note that Greater Wellington Regional Council rates will still apply.

Applications must be received prior to the commencement of the rating year the remission is being applied for (1 July).

POLICY OBJECTIVE

The objective of this remission policy is to assist new first home builders and promote the supply of housing in Wellington city.

CONDITIONS AND CRITERIA

A remission of rates may apply if all of the following conditions and criteria are met:

i. the new residential dwelling must be within the Wellington City Council district;
ii. the new residential dwelling must be on a separate rating unit;

iii. the ratepayer must be a New Zealand permanent resident or citizen and provide evidence of this;
iv. the property must be the first residential dwelling owned by the applicant;
v. the property must be a new residential dwelling (including apartments);
vi. the ratepayer uses the property as their primary residential dwelling;
vii. the property must be either built for the first owner or purchased within six months of construction;
viii. the ratepayer must provide evidence that they own the property;
ix. application can be made by the ratepayer after a building code compliance certificate has been issued by the Council for the rating unit;
x. the remission will not be available retrospectively for residential dwellings (including apartments) that are already completed before 1 July 2017;
xi. once granted, the remission will apply for a set period; commencing from the start of the following rating year and ending when the total amount of Wellington City Council rates remitted on the property reaches the $5,000 (including GST) limit or when the rating unit is sold (whichever comes first); and
xii. trusts, businesses and companies are not eligible for the remission.

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2.8. SPECIAL CIRCUMSTANCES REMISSION

REMISSION STATEMENT
It is recognised that not all situations in which it may be appropriate for the Council to remit rates will necessarily be known in advance and/or provided for in specific rating policies. In circumstances where the rating policy is deemed by the Council to unfairly disadvantage an individual ratepayer, the Council may grant a one-off remission of part or all Wellington City Council rates assessed for a rating unit. Note that Greater Wellington Regional Council rates will still apply.

POLICY OBJECTIVE
To provide for the possibility of a rates remission in circumstances that have not been specifically addressed in other parts of the Council's Rates Remission and Postponement Policies.

CONDITIONS AND CRITERIA
The Council may remit part or all of the rates assessed in relation to a particular rating unit where:

i. the rates on that rating unit are disproportionate to those assessed in respect of comparable rating units; or

ii. the rating policy is determined by the Council to unfairly disadvantage an individual ratepayer.

The approval of the remission does not set a precedent that application of the usual rates unfairly disadvantages other ratepayers.

2.9. REMISSION FOR LOW INCOME RATEPAYERS

REMISSION STATEMENT
The Council may provide additional assistance to those who have been approved for the New Zealand Government rates rebate.

POLICY OBJECTIVE
The objective of this remission is to provide relief to those low income households who have been approved for the New Zealand Government rates rebate.

CONDITIONS AND CRITERIA
The purpose of this remission is to provide relief to those ratepayers who have been approved for the New Zealand Government rates rebate and provide further relief up to a maximum value of $500 (GST Inclusive).

I. The proportion of the $500 (GST inclusive) that will be awarded to the rate payer will be aligned with the rebate received of the maximum allowed by the New Zealand Governments Rebate, e.g.:
    1. If a ratepayer receives 100% of the Government rebate, then they will be entitled to the full amount listed above.
    2. If they only receive 80% of the Government rebate, then they will receive 80% of the amount listed above.

II. The application for this remission will be assessed in conjunction with a ratepayers application for the New Zealand Government rates rebate.
III. Note that Greater Wellington Regional Council rates will still apply.
IV. The ratepayer must be a natural person.
V. The applicant must be the owner of the rating unit, must reside at the property and the property must be in the base differential rating category.
VI. This remission does not cover Companies, Trusts and any other legal structures even if they do qualify for the Government Rebate.

3. APPLYING FOR A RATES REMISSION

All applications must be in writing and set out the reasons for the request using the Wellington City Council ‘Application for Remission’ form.

Each remission application is applicable to a single rating year, except the Remission of Rates for Buildings Removed from the Earthquake Prone Buildings List, the Remission for New Greenfield Developments and the Remission for First Home Builders, which may apply to multiple rating years.

Applications must be received prior to the commencement of the rating year the remission is being applied for (1 July), with the exception of the following remission applications which may be received after the start of a rating year:

i. the Special Circumstances Remission;
ii. the Metered Water Rates Remission;
iii. the Remission of Rates for Buildings removed from the Earthquake Prone Buildings List and
iv. the Remission for New Greenfield Developments.

No applications will be backdated beyond the current rating year.

All applications for a remission on a rating unit that has previously received a remission or remissions, must be re-submitted annually for consideration of further remissions prior to the commencement of the rating year (1 July), with the exception of the Remission of Rates for Buildings removed from the Earthquake Prone Buildings List, the Remission for New Greenfield Developments and the Remission for First Home Builders.

The determination of eligibility and approval of any remission is at the absolute discretion of Wellington City Council.

If Council is satisfied that the relevant criteria in the policy are met, it will give the applicant ratepayer notice of the remitted rates.

Applications made for a remission will be considered on their own merits on a case-by-case basis. Any previous decisions of the Council do not create a precedent.

Approval of a remission does not set a precedent that application of the usual rates unfairly disadvantages other ratepayers.

4. RATES PENALTY REMISSION

POLICY OBJECTIVE
To enable the Council to act fairly and reasonably when rates have not been received by the due date and a penalty has been applied.

CONDITIONS AND CRITERIA
Upon receipt of an application from the ratepayer, or as identified by the Council, the Council may remit all or part of a penalty where it considers that it is fair and equitable to do so.

Matters that will be taken into consideration by the Council include the following:

i. this is the first time a penalty is applied during a prior three year period and either:

a) the payment of the full amount of rates due within 14 days of due date; or
b) the ratepayer enters into a suitable agreement with the Council for the payment of rates within a reasonable timeframe; or

ii. there was an extraordinary event leading to the late payment of the instalment and either:
   a) the payment of the full amount of rates due within 14 days of due date; or
   b) the ratepayer enters into a suitable agreement with the Council for the payment of rates within a reasonable timeframe; or

iii. the ratepayer has agreed to pay future rates by direct debit.

The Council reserves the right to impose conditions on the remission of penalties.

APPLYING FOR A RATES PENALTY REMISSION

A Rates Penalty Remission application must be in writing, setting out the reasons for the request with enough information and proof for officers to evaluate the request. No special remission form is required. The written request will be accepted by post, fax or email (rates@wcc.govt.nz).

5. NON - RATEABLE LAND

In addition to rates remissions, some types of property are not rateable or are partly non-rateable under Schedule 1 or Schedule 2 of the Local Government Rating Act (2002). For details of non-rateable property uses refer to this legislation and the Council's website.

6. REMISSION OF RATES ON MAORI FREEHOLD LAND

The Council's objectives in relation to rates remission and postponement apply equally to Maori Freehold land. Therefore the rates remission and postponement policies applicable to Maori Freehold land are identical to those that apply to non-Maori Freehold land.

2021-31 LONG TERM PLAN RATES POSTPONEMENT POLICY

Policy objective

To assist ratepayers experiencing extreme financial hardship that affects their ability to pay rates.

Conditions and criteria

For residential and other land rated at the Base differential:
The postponement of rates in cases of financial hardship is a last resort to assist residents who own their own home, after all other avenues to meet rates commitments have been exhausted.

The financial hardship must be caused by circumstances beyond the ratepayer's control. Criteria for the postponement of rates for residential ratepayers in cases of hardship are as follows:

i) the applicant is unable to pay their rates bill because of personal circumstances;
ii) the applicant the applicant has made all reasonable efforts to find other means to pay their rates, including engaging with a free budgeting service (https://www.moneytalks.co.nz/budgeting-services/) who also recommends this is the only remaining course of action
iii) the applicant has no significant assets (other than their family home); and
iv) the applicant accepts a legal charge to the Council over the property.

Approval of rates postponement is for one year only.

The applicant must reapply annually for the continuation of a rates postponement using the Council's 'Application for Postponement' form.

Applicants will be provided with information that clearly sets out the long term effect of postponing rates on their estate. Annually on 30 June interest will be charged in arrears on rates postponed, at a rate equal to the Council's average cost of borrowing at that date.

For land rated at the Commercial, Industrial and Business differential
The postponement of rates is a last resort to assist commercial, industrial and business ratepayers after all other avenues to meet rate commitments have been exhausted.

The financial hardship must be caused by circumstances outside the business' control.

Criteria for the postponement of rates for commercial, industrial and business ratepayers in cases of hardship are as follows:

i) the applicant is unable to pay their rates because of business circumstances,

ii) the applicant has tried all other avenues (including obtaining a loan from their bank) to fund their rates;
iii) the net value of an applicant's property (after the value of all mortgages on the property and the total value of the rates postponed) exceeds 10 percent of the market value of the property i.e. the Council will not postpone rates where there is a significant risk that the rates will not be paid at some time in the future; and
iv) the applicant accepts the Council's legal charge over the property.

Approval of rates postponement is a one-off event. Rates postponed on commercial, industrial or business property must be paid in full by the start of the Council's next financial year (1 July).

Annually on 30 June interest will be charged in arrears on the pro-rata rates postponed during the year, at a rate equal to the Council's average cost of borrowing at that date.

Investment and Liability Management Policies

GENERAL POLICY OBJECTIVES

The Council's general policy objectives relating to its investment and liability management are to:

- Minimise the Council's overall costs and risks associated with its borrowing activities and the general management of its other liabilities.
- Manage its borrowings and cash assets on a "net debt" basis in order to reduce the overall net cost to the Council.
- Optimise the return on its investment portfolio and other financial assets
- Manage the Council's exposure to adverse interest rate movements.
- Borrow and invest funds and transact risk management instruments within an environment of control and compliance.
- Regularly review and consider the performance of the Council's financial assets and investments. Where appropriate, the Council will dispose of under performing assets or those assets and investments that are not essential to the delivery of services and activities set out in the Council's Long Term Plan (LTP).

More detail on the Council's investment and borrowing policies, operating procedures and associated internal controls is contained in the Treasury Management Policy.

INVESTMENT POLICY

Policy Statement

The Council operates on a "net debt" basis, and does not separately maintain significant long term cash investments. The general policy with respect to surplus short term cash is to invest any short term surplus cash or to utilise it to reduce borrowings.

The Council currently maintains an equity interest in Wellington International Airport Limited (WIAL) and an ownership and financial interest in ground leases and investment properties. The Council will continue to review the level of investment as well as the return it receives on these investments.

Where appropriate, the Council may choose to dispose of investments/financial assets that no longer meet our investment objectives.

Investment Mix and Associated Objectives

- The Council categorises its investments into two categories; Non Strategic and Strategic.Non strategic investments are held primarily to optimise the return on the overall investment portfolio and to diversify the councils income sources. The target for holding and managing these investments is to provide a return on the investments greater than the Council's long term (10 year) cost of funds, currently forecast at 3.4% per year.

Strategic investments are also held for achieving the councils strategic objectives and does not target a financial return from these investments.

Non Strategic Investments

Nonstrategic investments are equity and financial investments which are included in the following five categories.

Cash and Cash Equivalents

The Council may invest funds with approved registered banking institutions. These investments generally mature in less than one year, and are held primarily for working capital/liquidity purposes or the pre-funding of debt maturing within twelve months.

Income generating commercial debt instruments

These are principally loans to other organisations (on commercial terms) which deliver a cash-flow return to the Council.

Income generating commercial equity investments

Equity investments arise from the Council owning or controlling an equity holding (e.g. shares) in another entity.

The Council currently maintains a 34 percent shareholding in Wellington International Airport Limited (WIAL).

Income generating commercial property investments

Investment properties are the Council's ground leases and land and buildings held primarily for investment purposes. The Council periodically reviews its continued ownership of investment properties by assessing the benefits of continued ownership in comparison to other arrangements that could deliver similar benefits. Any assessment is based on both the strategic benefit of the investment/ownership to the City and in terms of the most financially viable method of achieving the delivery of Council services.

Strategic Investments

There are two categories of investments that are held to achieve council strategic outcomes. These are;

Non income generating investments

This includes loans to other organisations, and equity investments in Council Controlled Organisations. The Council may consider the provision of loans to Community groups but only in exceptional circumstances. The Council's non income generating investments are held for strategic or ownership reasons.

In addition to the above investment categories, the Council may assume financial risk associated with providing contributions, guarantees and underwrites, where these meet the Council's strategic objectives and outcomes. Such undertakings require a Council resolution.

New Zealand Local Government Funding Agency Limited

Despite anything earlier in this policy, the Council may invest in shares and other financial instruments (including borrower notes) of the New Zealand Local Government Funding Agency Limited (LGFA) and may borrow to fund that investment.

The Council's objective in making any such investment is to:

a. obtain a return on the investment; and
b. ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.

Because of this dual objective, the Council has invested in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

Investment Acquisition/Addition/Disposal

With the exception of the day to day investment of short term cash and cash equivalents, all new investments, additions to existing investments, and/or disposals of existing investments must be approved by the Council. The day to day management and investment of short term cash and cash equivalents may be made by Council officers in accordance with the Treasury Management Policy.

The Council will continue to maintain its current level of investment in WIAL (being a 34 percent equity interest) until it considers that it is strategically, financially and economically prudent to dispose of the investment.

Proceeds from the sale of investments will be used to repay existing borrowings, unless the Council specifically directs that the funds be put to another use.

Reporting

Investments in CCOs

Monitoring of the Council's equity investment and ownership interest in Council Controlled Organisations (CCOs) is undertaken by the Council Controlled Organisations Subcommittee. The Subcommittee reports to the Strategy and Policy Committee and is responsible for:

- communicating the Council's priorities and strategic outcomes to Council Controlled Organisations (CCOs)
- ensuring delivery through the development of Statements of Intent and integration of CCO outcomes with the Council's Long-term Plan and Annual Plan funding processes and decisions, and
- monitoring the financial performance and delivery on strategic outcomes of the Council's CCOs.

All other investments

The Strategy and Policy Committee provides recommendations to the Council in regard to strategies, policy and guidelines in relation to investments. The Strategy and Policy Committee will receive and review the quarterly Treasury report contained within the consolidated quarterly report.

Risk Management

The Council's principal exposure on its financial investments is credit risk. Credit risk is minimised by the Council investing in approved institutions with satisfactory credit ratings which are assessed and reviewed by independent credit rating organisations. Limits are spread amongst number of counterparties to avoid concentrations of credit exposure.

Assessment and management of specific risks associated with the Council's investment in WIAL, LGFA and investment properties will be performed on a regular basis. Any significant changes in the risk profile for these investments will be reported to the Strategy and Policy Committee .

Investment Ratios

For the purposes of setting its Borrowing and Investment Ratios, the Council defines investments as assets which are cash or readily convertible to cash (either through fixed repayment and maturity profiles, or through sale or exchange) and assets which are held primarily for investment purposes (either for capital growth, commercial rental or interest). This is likely to include:

- Cash and cash equivalents (e.g. term deposits),
- Income generating commercial debt instruments
- Income generating commercial equity instruments
- Income generating commercial property instruments

LIABILITY MANAGEMENT POLICY

In broad terms, the Council manages both current and term liabilities.

CURRENT LIABILITIES

Current liabilities reflect those obligations, expressed in monetary terms, which the Council has to meet within relatively short timeframes, at a maximum within the next 12 months. In respect of its day to day obligations for both operational and capital expenditure, the Council's policy is to pay these liabilities in full by the due date. This eliminates any credit exposure or risk. Current liabilities also include the maturing portions of any term liabilities that are due for repayment within the following 12 months.

TERM LIABILITIES

Term liabilities represent the Council's obligations which, in general terms, are not immediately payable, i.e. not due within the following 12 months. Borrowings comprise the majority of the Council's term liabilities.

The Council approves the borrowing programme for each financial year as part of the LTP or Annual Plan. Additional borrowings may be approved by Council on a case by case basis. The Council primarily borrows to fund its new and upgraded capital expenditure programme. In approving new borrowings the Council considers the impact of the proposed level of borrowings on its overall borrowing limits and impact on rates and rates limits.

POLICY OBJECTIVES

The Council primarily borrows to pay for the upgrading of existing assets and the construction/purchase of new assets. These assets generally provide new or enhanced benefits to Wellington for many years. Borrowing is therefore considered the most cost-effective and equitable way to fund these assets as it spreads the cost of the asset over the future generations of ratepayers who will benefit from the use of the asset. In addition, Council borrows to meet the costs associated with settling liabilities arising with respect to weathertight homes issues, and the borrowings are repaid from future rates revenues. Accordingly, borrowings have a strategic benefit of making the cost of the asset investment or weathertight homes liabilities affordable to today's ratepayers. Borrowings are maintained at a prudent level, in accordance with the Council's overall financial strategy and specific borrowing limits.

POWER TO BORROW

The Council borrows as it considers appropriate and in accordance with the provisions of the Local Government Act 2002 and its Treasury Management Policy. The Council approves the level of new borrowing in general terms as part of the LTP or Annual Plan. The Council delegates the authority to officers to raise the approved borrowing during the financial year as and when the funding is required. Any additional borrowing beyond that approved in the LTP or Annual Plan must be approved by the Council.

INTEREST RATE RISK MANAGEMENT LIMITS

Borrowings issued at variable (floating) interest rates expose the Council to a cash flow interest-rate risk. The Council manages its cash flow interest-rate risk by using floating to fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Council debt/borrowings must be within the following fixed/floating interest rate risk control limits:

Debt Interest Rate Policy Parameters (calculated on rolling monthly basis)		
Debt Period Ending	Minimum Fixed Rate	Maximum Fixed Rate
Year 1	50%	80%
Year 2	45%	80%
Year 3	40%	80%
Year 4	35%	75%
Year 5	30%	70%
Year 6	20%	65%
Year 7	10%	60%
Year 8	0%	55%
Year 9	0%	50%
Year 10	0%	45%
Year 11	0%	40%
Year 12	0%	35%
Year 13	0%	30%
Year 14	0%	30%
Year 15	0%	30%
Year 16	0%	30%

"Fixed Rate" is defined as an interest rate repricing date beyond 3 months forward on a continuous rolling basis.

The "Fixed Rate" percentage is based on the projected gross debt level on a rolling forward basis. Gross debt is the amount of total borrowing. This allows for pre-hedging in advance of projected physical drawdowns of new debt. When forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the policy minimums and maximums. In the event of one-off significant changes caused by asset sales/purchases or capital expenditure in advance of the forecast, then a 3 month period of adjustment is permitted.

LIQUIDITY

The Council minimises its liquidity risk by avoiding concentration of debt maturity dates and by maintaining committed borrowing facilities at a level that exceeds 115% of the existing external net debt level. The Council will only drawdown or borrow against these facilities as required.

Where special funds are maintained to repay borrowings, these investments are held for maturities not exceeding borrowing repayment dates.

The Council avoids exposure to liquidity risk by managing the maturity of its borrowing programme within the following maturity limits:

BORROWING MATURITY PROFILE LIMITS

Period	Minimum	Maximum
0 to 3 years	15%	60%
3 to 5 years	15%	60%
5 years plus	15%	60%

CREDIT EXPOSURE
The Council borrows from approved institutions with satisfactory credit ratings. Borrowings are managed to ensure the Council is not exposed to material concentrations of credit risk. Limits are spread amongst a number of counterparties to avoid concentrations of credit exposure.

LOCAL GOVERNMENT FUNDING AGENCY
Despite anything earlier in this Policy, the Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, will enter into the following related transactions to the extent it considers necessary or desirable:

a. contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA (for example borrower notes that may convert into redeemable preference shares).
b. provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself
c. commit to contributing additional equity (or subordinated debt) to the LGFA if required
d. secure its borrowing from the LGFA, and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
e. Subscribe for shares and uncalled capital in the LGFA

BORROWING REPAYMENT
The Council will repay borrowings from a combination of excess depreciation over and above renewals, sale of surplus or underperforming assets, operating surpluses, and any rates specifically set to repay borrowings, including those associated with settling weathertight homes liabilities, or from the renewal of borrowings.

SPECIFIC BORROWING LIMITS

In determining a prudent level of borrowings the Council assesses the level of net borrowing against the Council’s operating income.

Total Council Net Borrowings will be managed within the following macro limits:

RATIO	**LIMIT**
Net borrowing as a percentage of income	<225%
Net Interest as a percentage of income	<15%
Net Interest as a percentage of annual rates income	<20%
Liquidity (External net debt + available committed bank facilities + liquid assets to external net debt)	>115%

SECURITY
Council borrowings are secured by way of a Debenture Trust Deed (representing a charge over Council rates revenue). This security relates to any borrowing and to the performance of any obligation under any incidental arrangement. However, if it is considered advantageous, the Council’s borrowings and other financial arrangements may be undertaken on an unsecured basis, or secured by way of a charge over its physical assets.

CREDIT RATING
To provide an independent assessment of the Councils’ credit quality, Council maintains a credit rating with an independent rating agency.

CARBON PRICE RISK
Council maintains a stock of NZU credits and is projected to remain a net holder of carbon credits for the foreseeable future. Within this context, Council manages its annual carbon liabilities through surrendering existing holdings and purchasing NZUs in the spot/forward market, where required.

Wellington City Council
Confidential

FORECAST STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2020/21 AP $000's	Year 1 AP $000's	Year 2 AP $000's	Year 3 AP $000's	Year 4 AP $000's	Year 5 AP $000's	Year 6 AP $000's	Year 7 AP $000's	Year 8 AP $000's	Year 9 AP $000's	Year 10 AP $000's
REVENUE											
Revenue from rates	343,926	392,230	428,012	463,542	496,992	524,270	542,669	561,646	583,177	599,410	607,061
Revenue from development contributions	2,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Revenue from grants, subsidies and reimbursements	34,334	41,430	37,061	34,242	42,716	45,695	42,365	41,644	43,176	42,124	44,294
Revenue form operating activities	144,229	196,297	169,714	192,439	200,045	214,999	228,323	237,976	249,102	259,076	267,549
Investments	11,703	12,211	13,414	22,647	26,069	26,336	26,585	26,839	27,100	27,366	27,639
Fair value movement on investment property revaluation	6,073	10,386	8,236	7,437	7,457	7,990	7,990	6,322	9,321	9,321	9,321
Other revenue	1,850	1,100	1,100	1,833	1,500	1,512	1,100	1,100	1,100	1,100	3,444
Finance Revenue	13	13	13	13	14	14	16	16	9	9	10
TOTAL REVENUE	544,135	617,167	661,870	725,726	761,314	824,276	832,546	851,449	916,465	941,907	963,756
EXPENSE											
Finance expense	29,718	23,320	32,602	40,504	42,150	43,707	45,935	42,203	40,714	39,011	35,231
Expenditure on operating activities	430,131	431,396	463,334	471,390	492,970	500,172	514,105	529,030	544,860	555,153	573,009
Depreciation and amortisation	137,859	146,736	166,739	187,193	212,251	229,774	246,519	262,657	279,737	292,311	296,958
TOTAL EXPENSE	590,717	601,454	662,633	699,082	749,410	773,653	806,579	833,890	863,311	883,474	905,195
NET SURPLUS FOR THE YEAR	(49,524)	15,710	(825)	26,633	37,204	46,623	45,967	47,555	51,174	52,455	56,540
OTHER COMPREHENSIVE INCOME											
Fair value movement - property, plant and equipment (net)	86,710	-	234,662	119,239	-	307,959	126,006	-	354,778	140,262	-
Share of equity accounted surplus from associates											
TOTAL OTHER COMPREHENSIVE INCOME	86,710	-	234,662	119,239	-	307,959	126,006	-	354,778	140,262	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	37,186	15,710	233,837	145,872	37,204	356,582	171,893	47,555	405,952	192,635	56,540

Projected Balance Sheet - Wellington City Council

	2020/21 AP	Budget Y1	Budget Y2	Budget Y3	Budget Y4	Budget Y5	Budget Y6	Budget Y7	Budget Y8	Budget Y9	Budget Y10
	$000's	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
ASSETS											
Current Assets											
Cash and cash equivalents	4,767	14,853	10,947	3,585	12,797	8,428	4,109	8,045	4,300	5,736	5,621
Investments	120,000	209,000	135,500	144,000	170,500	113,000	143,000	129,000	130,000	95,000	68,000
Receivables and recoverables	55,488	64,520	70,842	79,500	84,195	89,174	94,330	98,384	102,682	106,485	109,725
Inventories	898	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549
Other financial assets	0	0	0	0	0	0	0	0	0	0	0
Prepayments	17,179	14,270	15,609	15,948	16,597	16,975	17,472	18,000	18,558	18,998	19,519
Non-current assets classified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	199,433	304,192	234,446	244,566	285,638	232,124	260,466	252,947	257,089	228,769	204,414
Non Curent Assets											
Other financial assets	14,844	18,131	18,131	18,131	18,131	18,131	18,131	18,131	18,131	18,131	18,131
Intangible Assets	34,178	38,810	41,760	45,124	43,542	41,334	45,238	50,083	55,187	59,172	62,897
Investment Properties	270,225	274,309	282,565	290,022	297,479	305,489	313,450	321,981	331,302	340,623	349,944
Property, plant and equipment	7,713,989	8,109,074	8,508,032	8,741,485	8,799,439	9,168,453	9,282,571	9,222,987	9,521,170	9,597,328	9,541,530
Investment in subsidiaries	5,071	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998
Investment in associates	19,485	19,033	19,033	19,033	19,033	19,033	19,033	19,033	19,033	19,033	19,033
Total Non Current Assets	8,057,752	8,461,155	8,871,520	9,117,793	9,181,622	9,556,418	9,682,428	9,636,193	9,948,821	10,038,283	9,995,533
Total Assets	8,256,185	8,765,347	9,105,966	9,362,359	9,467,260	9,788,542	9,942,894	9,889,140	10,205,910	10,267,052	10,199,947
LIABILITIES											
Current Liabilities											
Derivative financial liabilities	885	709	709	709	709	709	709	709	709	709	709
Trade and other payables	57,135	59,000	65,142	60,783	59,229	59,547	56,457	54,719	56,432	57,283	58,634
Revenue in advance	13,749	18,257	17,683	20,028	21,132	22,376	23,763	24,785	25,928	26,854	27,877
Borrowings	132,000	209,000	135,500	144,000	170,500	118,000	143,000	129,000	130,000	95,000	68,000
Provisions for other liabilities	4,597	3,178	2,831	2,484	2,397	2,323	2,245	2,240	2,260	1,892	1,731
Employee benefit liabilities and provisions	10,237	11,950	12,003	12,169	12,389	12,660	12,964	13,268	13,585	13,948	14,304
Total Current Liabilities	218,703	300,104	233,848	240,153	266,356	215,615	239,138	224,702	228,912	196,786	171,255
Non Curent Liabilities											
Derivative financial liabilities	67,153	106,331	106,331	106,331	106,331	106,331	106,331	106,331	106,331	106,331	106,331
Trade and other payables	231	0	0	0	0	0	0	0	0	0	0
Borrowings	847,445	948,893	1,123,393	1,228,861	1,270,897	1,287,471	1,247,358	1,161,590	1,069,319	970,457	870,911
Provisions for other liabilities	29,843	34,995	33,307	31,988	30,732	29,552	28,450	27,353	26,238	25,407	24,909
Employee benefit liabilities and provisions	1,156	1,144	1,356	1,374	1,399	1,430	1,464	1,498	1,535	1,575	1,618
Total Non Current Liabilities	945,628	1,091,363	1,264,387	1,368,582	1,409,359	1,424,784	1,383,603	1,296,718	1,203,321	1,103,890	1,003,767
Total Liabilities	1,164,330	1,391,467	1,498,235	1,608,735	1,675,715	1,640,399	1,622,741	1,521,420	1,432,233	1,300,676	1,175,022
Net Assets	7,091,855	7,373,880	7,607,731	7,753,623	7,791,545	8,148,143	8,320,152	8,367,720	8,773,677	8,966,375	9,024,925
Equity											
Accumulated funds and retained earnings	4,994,275	5,044,215	5,043,390	5,070,028	5,107,933	5,156,556	5,202,542	5,250,095	5,301,269	5,353,702	5,412,242
Revaluation reserves	2,145,774	2,415,427	2,650,089	2,789,328	2,789,328	3,077,287	3,203,293	3,203,293	3,556,071	3,688,333	3,698,333
Hedging Reserve	-88,138	-137,041	-137,041	-137,041	-137,041	-137,041	-137,041	-137,041	-137,041	-137,041	-137,041
Fair value through other comprehensive income reserve	4,290	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085
Restricted funds	15,854	16,194	16,208	16,223	16,240	16,256	16,273	16,285	16,293	16,298	16,306
Total Equity	7,091,855	7,373,880	7,607,731	7,753,623	7,791,545	8,148,143	8,320,152	8,367,720	8,773,677	8,966,375	9,024,925

Projected Equity Statement - Wellington City Council

	2020/21 AP $000's	2021/22 LTP $000's	2022/23 LTP $000's	2023/24 LTP $000's	2024/25 LTP $000's	2025/26 LTP $000's	2026/27 LTP $000's	2027/28 LTP $000's	2028/29 LTP $000's	2029/30 LTP $000's	2030/31 LTP $000's
Equity - opening balances											
Accumulated funds and retained earnings	5,043,799	5,028,502	5,044,215	5,043,390	5,070,028	5,107,933	5,156,556	5,202,542	5,250,095	5,301,269	5,353,702
Revaluation reserves	2,059,064	2,415,427	2,415,427	2,650,089	2,769,328	2,769,328	3,077,287	3,203,293	3,203,293	3,558,071	3,698,333
Hedging reserve	(68,138)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)
Fair value through other comprehensive revenue and expense reserve	4,290	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085
Restricted funds	14,865	16,182	16,194	16,208	16,223	16,240	16,256	16,273	16,288	16,293	16,296
Total Equity - opening balances	7,053,880	7,358,155	7,373,880	7,607,731	7,753,623	7,791,545	8,148,143	8,320,152	8,367,720	8,773,677	8,966,375
Changes in Equity											
Retained earnings											
Net surplus for the year	(49,524)	15,713	(825)	26,639	37,904	48,623	45,987	47,553	51,174	52,433	58,540
Transfer to restricted funds	-	-	-	-	-	-	-	-	-	-	-
Transfer from restricted funds	-	-	-	-	-	-	-	-	-	-	-
Transfer from revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer to revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Revaluation reserves											
Fair value movement - property, plant and equipment - net	86,710	-	234,662	119,239	-	307,959	126,006	-	354,778	140,262	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Hedging reserve											
Movement in hedging reserve	-	-	-	-	-	-	-	-	-	-	-
Fair value through other comprehensive revenue and expense reserve											
Movement in fair value	-	-	-	-	-	-	-	-	-	-	-
Restricted Funds											
Transfer to retained earnings	(797)	(3,346)	(3,490)	(3,618)	(3,743)	(3,871)	(4,004)	(4,145)	(4,292)	(4,431)	(4,558)
Transfer from retained earnings	1,586	3,358	3,504	3,633	3,760	3,887	4,021	4,160	4,297	4,434	4,568
Total comprehensive revenue and expense	37,975	15,725	233,851	145,893	37,921	356,598	172,010	47,568	405,957	192,698	58,550
Net Equity - Closing Balances											
Accumulated funds and retained earnings	4,994,275	5,044,215	5,043,390	5,070,028	5,107,933	5,156,556	5,202,542	5,250,095	5,301,269	5,353,702	5,412,242
Revaluation reserves	2,145,774	2,415,427	2,650,089	2,769,328	2,769,328	3,077,287	3,203,293	3,203,293	3,558,071	3,698,333	3,698,333
Hedging reserve	(68,138)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)	(107,041)
Fair value through other comprehensive revenue and expense reserve	4,290	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085	5,085
Restricted funds	15,654	16,194	16,208	16,223	16,240	16,256	16,273	16,288	16,293	16,296	16,306
Total Equity - closing balances	7,091,855	7,373,880	7,607,731	7,753,623	7,791,545	8,148,143	8,320,152	8,367,720	8,773,677	8,966,375	9,024,925

Projected Statement of Cash Flows - Wellington City Council

	2020/21 AP $000's	2021/22 LTP $000's	2022/23 LTP $000's	2023/24 LTP $000's	2024/25 LTP $000's	2025/26 LTP $000's	2026/27 LTP $000's	2027/28 LTP $000's	2028/29 LTP $000's	2029/30 LTP $000's	2030/31 LTP $000's
Cash flows from operating activities											
Receipts from rates - Council	344,102	390,886	427,015	462,552	496,060	523,510	542,156	561,117	582,577	598,958	606,867
Receipts from rates - Greater Wellington Regional Council	71,540	82,086	89,674	97,136	104,172	109,937	113,852	117,835	122,341	125,781	127,442
Receipts from activities and other income	145,989	156,339	168,345	189,685	202,941	214,534	227,519	237,953	249,007	259,208	268,131
Receipts from grants and subsidies - operating	8,972	8,381	9,883	9,040	9,508	9,082	9,217	9,378	9,649	9,928	10,212
Receipts from grants and subsidies - capital	28,112	36,550	31,478	29,488	37,110	40,486	36,668	35,966	37,027	35,697	40,527
Receipts from investment property lease rentals	10,797	10,376	10,706	10,939	11,181	11,428	11,677	11,931	12,192	12,458	12,731
Cash paid to suppliers and employees	(325,628)	(387,051)	(407,670)	(427,384)	(440,904)	(454,050)	(470,809)	(483,640)	(495,341)	(508,679)	(522,006)
Rates paid to Greater Wellington Regional Council	(71,540)	(82,086)	(89,674)	(97,136)	(104,172)	(109,937)	(113,852)	(117,835)	(122,341)	(125,781)	(127,442)
Grants paid	(53,485)	(46,286)	(52,922)	(50,387)	(51,594)	(47,436)	(48,062)	(48,757)	(49,461)	(50,180)	(50,913)
Net GST (paid) / received	-	-	-	-	-	-	-	-	-	-	-
Net cash flows from operating activities	158,859	169,195	186,835	223,933	264,302	297,554	308,366	323,948	345,650	357,390	365,549
Cash flows from investing activities											
Dividends received	908	1,835	2,708	11,708	14,908	14,908	14,908	14,908	14,908	14,908	14,908
Interest received	13	13	13	13	14	14	14	14	9	9	10
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of investment properties	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant and equipment	-	2,000	27,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Proceeds from sale of intangibles	-	-	-	-	-	-	-	-	-	-	-
Increase / (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Purchase of investment properties	-	-	-	-	-	-	-	-	-	-	-
Purchase of intangibles	(9,508)	(4,252)	(4,138)	(3,816)	(3,136)	(1,030)	(662)	(2,256)	(2,454)	(1,123)	(727)
Purchase of property, plant and equipment	(280,115)	(294,058)	(358,224)	(306,214)	(268,682)	(290,684)	(240,875)	(208,653)	(228,827)	(234,005)	(247,048)
Net cash flows from investing activities	(288,702)	(294,462)	(332,639)	(296,309)	(254,896)	(274,792)	(224,615)	(193,987)	(214,364)	(218,211)	(230,857)
Cash flows from financing activities											
New borrowings	277,149	289,666	383,500	240,998	186,006	187,074	77,887	57,178	36,683	31,268	(3,576)
Repayment of borrowings	(125,000)	(132,000)	(209,000)	(135,500)	(144,000)	(170,500)	(118,000)	(143,000)	(129,000)	(130,000)	(96,000)
Interest paid on borrowings	(25,718)	(23,323)	(32,602)	(40,504)	(42,180)	(45,707)	(45,955)	(42,203)	(40,714)	(39,011)	(35,231)
Net cash flows from investing activities	126,431	134,343	141,898	64,994	(174)	(29,133)	(86,068)	(128,025)	(133,031)	(137,743)	(134,807)
Net increase/(decrease) in cash and cash equivalents	(3,412)	9,076	(3,906)	(7,382)	9,232	(6,371)	(2,317)	1,936	(1,745)	1,436	(115)
Cash and cash equivalents at beginning of year	8,179	5,777	14,853	10,947	3,565	12,797	6,426	4,109	6,045	4,300	5,736
Cash and cash equivalents at end of year	4,767	14,853	10,947	3,565	12,797	6,426	4,109	6,045	4,300	5,736	5,621

Prospective statement of changes in restricted / reserve funds - Wellington City Council

	Opening balance 2021/22 $000	Deposits $000	Expenditure $000	Closing balance 2030/31 $000	Purpose
Special reserves and funds					
Reserve purchase and development fund	782	-	-	782	
City growth fund	2,441	23,339	(23,339)	2,441	
Insurance reserve	12,490	16,129	(16,129)	12,490	Allows the Council to meet the uninsured portion of insurance claims
Total special reserves and funds	**15,713**	**39,468**	**(39,468)**	**15,713**	
Trusts and bequests					
A Graham Trust	4	2	-	6	For the upkeep of a specific area of Karori Cemetery
A W Newton Bequest	350	128	(30)	448	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	18	5	-	23	For the purchase of children's books
F L Irvine Smith Memorial	9	2	-	11	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	2	-	7	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	4	2	-	6	For the purchase of children's books
Kirkaldie and Stains Donation	17	-	-	17	For the beautification of the BNZ site
QEII Memorial Book Fund	24	10	-	34	For the purchase of books on the Commonwealth
Schola Cantorum Trust	8	3	-	11	For the purchase of musical scores
Terawhiti Grant	10	-	-	10	To be used on library book purchases
Wellington Beautifying Society Bequest	14	-	-	14	To be used on library book purchases
Total trusts and bequests	**469**	**154**	**(30)**	**593**	
Total restricted funds	**16,182**	**39,622**	**(39,498)**	**16,306**	

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

Basis of preparation

Statement of compliance

The forecast 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 forecast financial statements have been prepared to comply with Public Benefit Entity Accounting Standards (PBE Accounting 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 forecast financial statements is the 10-year period ending 30 June 2031. The forecast 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 forecast 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 forecasting the long-term cost of borrowing are as per the “Significant forecasting assumptions” which are disclosed on pages xxx-xxx

Judgements and estimations

The preparation of forecast financial statements using PBE accounting 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 the 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 the Council provides (eg the sale of goods at market rates) are defined as being exchange transactions. Only a few services provided by the 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 the Council provides for a fee are subsidised by rates and therefore do not constitute an approximately equal exchange. Accordingly, most of the 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. However, as the water rates are primarily charged on a per unit of consumption basis, water rates by meter are considered to be more in the nature of an exchange transaction. Revenue from water rates by meter is recognised as an accrual based on usage.

Operating activities

Revenue from operating activities is generally measured at the fair value of consideration received or receivable.

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 (eg NZ Transport Agency roading claim payments) 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 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) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed. In particular the fair value of parking related fines is determined based on the probability of collection considering previous collection history and a discount for the time value of money.

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 forecast 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 that 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

The 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 forecast financial statements are exclusive of GST, except for 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

For year 1 (2021/22) of the LTP, PBE IPSAS 29 *Financial Instruments* applies as below. The comparative prospective financial statements for 2020/21 were also prepared using this accounting standard.

For subsequent years, 2023-2031, PBE IPSAS 41 *Financial Instruments* will be applicable as this new accounting standard will become effective for the period beginning 1 July 2022. The prospective financial statements for the years 2 to 10 have not been prepared using this new standard as Council does not consider that the financial information will be materially different. The main differences between PBE IPSAS 29 and PBE IPSAS 41 relate to the classification of financial assets and liabilities, impairment and hedging. Under PBE IPSAS 41 the financial classification should not significantly change the value of the financial assets or liabilities. The required change in impairment model should have no impact as impairments are not usually significant when considering prospective financial statements and the hedging requirements under PBE IPSAS 41 can be continued as they were under PBE IPSAS 29.

Current accounting policies under PBE IPSAS 29

Financial classification

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 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 3 months or less.

Receivables and recoverables 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 or recoverable.

Loans and deposits include loans to other entities (including subsidiaries and associates), and bank deposits with maturity dates of more than 3 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. Receivables and recoverables 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, 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 payables under exchange transactions, taxes, transfers 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.

Investment properties

Investment properties are properties that 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 that 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 1 year or beyond 1 year where a delay has occurred that is caused by events beyond the Group's control and there is sufficient evidence the Group remains committed to sell the asset
- 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 forecast 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 3-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 3-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 (the roading network, water, waste and drainage reticulation networks including service concession arrangement assets (waste water treatment plants) are valued at optimised depreciated replacement cost on a regular basis or, whenever the carrying amount differs materially to fair value, 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 regular basis or, whenever the carrying amount differs materially to fair value.

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 percent 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 arrangement assets consist of the Moa Point, Western (Karori) and Carey's Gulley wastewater treatment plants, which are owned by the Council but operated by Veolia Water under agreement. These assets are included within and 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 life ranges of the major classes of property, plant and equipment are as follows:

Estimated useful lives of tangible assets	2021 Useful Lives (years)
Asset Category	
Operational assets	
Land	unlimited
Buildings	1 - 149
Civic Precinct	5 - 67
Plant and equipment	2 - 300
Library collection	4 - 11
Infrastructure assets:	
Drainage, waste and water	20 - 588
Roading	1 - 625
Land (including land under roads)	unlimited
Restricted assets	unlimited

The large variations 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.

The useful lives are updated after each revaluation cycle and are reflected in the new depreciation rates that will apply.

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

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 life range of these assets are as follows:

Estimated useful lives of intangible assets	2021
	Useful Life (years)
Asset Category	
Computer software	2 - 11

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 percent 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.

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.

Forecast statement of cash flows

Cash and cash equivalents for the purposes of the cash flow statement comprise bank balances, cash on hand and short-term deposits with a maturity of 3 months or less. The forecast 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 mobile phones 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
- where there has been a change of accounting policy.

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

The Council has complied with PBE FRS 42 in the preparation of these forecast 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 annual plan.

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

It is a requirement of the Local Government Act 2002 to present forecast 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. Forecast 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 forecast 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 forecast. Actual results are likely to vary from the information presented, and the variations may be material.

(iv) Other disclosures

These forecast financial statements were adopted as part of the assumptions that form the LTP 2021-31 for issue on XX XXXX 2021 by Wellington City Council. The Council is responsible for the forecast financial statements presented, including the assumptions underlying forecast financial statements and all other disclosures. The LTP is forecast and as such contains no actual operating results.

FUNDING IMPACT STATEMENT
FOR WHOLE OF COUNCIL

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	196,202	221,631	252,056	272,745	295,041	315,790	327,889	341,898	355,754	364,662	365,449
Targeted rates (other than a targeted rate for water supply)	147,303	162,298	174,705	188,523	200,700	209,238	213,562	218,395	226,140	255,487	257,377
Subsidies and grants for operating purposes	8,972	8,381	8,833	9,040	9,508	9,002	9,217	9,375	9,649	9,922	10,212
Fees and charges	147,779	157,111	187,223	189,716	200,084	211,840	224,983	234,440	245,382	253,125	263,686
Interest and dividends from investments	921	1,845	2,721	11,721	14,922	14,922	14,922	14,922	14,917	14,917	14,918
Local authorities fuel tax, fines, infringement fees, and other receipts	8,347	12,882	14,297	14,692	15,263	15,807	16,118	16,568	17,032	17,509	17,984
Total operating funding (A)	510,003	568,982	620,885	687,528	735,497	774,554	806,660	835,704	868,884	895,639	912,635
Applications of operating funding											
Payments to staff and suppliers	376,461	384,874	418,056	429,817	444,842	460,251	473,776	487,789	502,683	515,559	530,046
Finance costs	25,718	23,323	32,802	40,504	42,180	45,767	45,955	42,208	40,716	39,011	35,291
Other operating funding applications	53,671	46,431	53,062	50,531	51,742	47,528	48,218	48,938	49,627	50,549	51,015
Total applications of operating funding (B)	455,850	454,718	503,701	520,653	538,864	553,577	567,950	578,910	593,023	604,899	616,362
Surplus (deficit) of operating funding (A-B)	54,153	114,264	117,184	166,875	196,633	220,977	238,710	256,795	275,861	290,739	296,273
Sources of capital funding											
Subsidies and grants for capital expenditure	26,112	33,050	27,978	23,988	33,610	34,956	33,168	32,468	33,527	32,197	37,027
Development and financial contributions	2,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Increase (decrease) in debt	233,417	159,676	118,519	101,338	37,936	12,110	(44,994)	(91,223)	(98,242)	(105,236)	(108,285)
Gross proceeds from sales of assets	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	263,529	198,226	151,997	132,825	77,046	54,566	(6,327)	(53,255)	(59,215)	(67,540)	(63,758)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	7,841	50,164	39,468	30,987	69,685	66,210	71,513	54,860	55,546	58,037	62,173
- to improve level of service	161,686	143,929	171,948	141,351	87,533	104,319	56,402	44,809	46,870	43,103	52,097
- to replace existing assets	129,823	118,922	149,770	129,379	119,430	114,383	113,605	112,633	122,938	129,048	127,629
Increase (decrease) in reserves	18,352	(525)	(9,005)	(10,017)	(3,969)	(8,949)	(9,342)	(1,932)	(8,706)	(1,995)	(9,334)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	317,682	312,490	349,181	299,700	273,679	275,574	232,383	203,540	216,646	223,200	232,515
Surplus (deficit) of capital funding (C-D)	(54,153)	(114,264)	(117,184)	(166,875)	(196,633)	(220,977)	(238,710)	(256,795)	(275,861)	(290,739)	(296,273)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	137,863	146,736	155,739	167,193	212,261	229,774	248,519	262,657	279,757	282,311	298,852

FUNDING IMPACT STATEMENT
Organisational Projects (10.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	(10,813)	(13,011)	(9,392)	(7,219)	(6,177)	(4,109)	(3,053)	(3,608)	(5,037)	(3,974)	(4,437)
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	200	429	0	0	0	0	0	0	0	0	0
Fees and charges	33,072	19,361	19,926	20,553	21,102	21,685	22,264	22,815	23,427	23,950	24,416
Internal charges and overheads recovered	38,218	27,971	27,533	29,222	29,315	29,770	30,410	31,032	31,517	32,427	33,446
Interest and dividends from investments	921	1,848	2,721	11,721	14,822	14,922	14,922	14,922	14,917	14,917	14,918
Local authorities fuel tax, fines, infringement fees, and other receipts	1,100	1,100	1,150	1,100	1,100	1,150	1,100	1,100	1,150	1,100	1,150
Total operating funding (A)	54,277	37,698	42,163	55,368	60,259	63,386	65,612	66,351	67,304	68,420	69,419
Applications of operating funding											
Payments to staff and suppliers	134,452	93,385	103,761	105,257	115,873	117,740	121,509	124,508	127,215	130,450	132,903
Finance costs	1,953	1,396	2,277	2,973	3,150	3,537	3,651	3,367	3,181	3,086	2,702
Internal charges and overheads applied	(62,410)	(70,883)	(73,576)	(73,590)	(82,247)	(83,677)	(82,557)	(80,665)	(81,068)	(81,597)	(81,577)
Other operating funding applications	3,100	324	2,824	4,674	4,050	300	300	300	350	300	300
Total applications of operating funding (B)	61,101	24,225	35,284	38,713	38,832	37,899	42,902	47,311	49,898	52,259	54,409
Surplus (deficit) of operating funding (A-B)	(6,324)	13,473	6,885	16,655	21,427	25,487	22,711	19,040	17,406	16,161	15,004
Sources of capital funding											
Subsidies and grants for capital expenditure	(45)	(729)	0	0	0	0	0	0	0	0	2,344
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	14,503	22,111	70,256	67,894	37,576	3,166	(22,865)	(18,747)	(18,289)	(19,919)	(22,992)
Gross proceeds from sales of assets	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	14,457	24,082	72,256	69,894	39,576	5,166	(20,865)	(16,747)	(16,289)	(17,919)	(18,648)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	7,171	18,037	58,533	69,550	32,624	24,095	50	51	53	54	56
- to replace existing assets	11,136	11,832	21,752	20,218	12,980	12,419	8,941	10,781	11,166	10,003	9,792
Increase (decrease) in reserves	(10,174)	7,778	(2,044)	(3,219)	(4,604)	(6,082)	(7,155)	(3,513)	(10,032)	(11,799)	(13,491)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	8,132	37,555	79,141	86,549	41,003	30,653	1,836	2,294	1,117	(1,738)	(3,644)
Surplus (deficit) of capital funding (C-D)	6,324	(13,473)	(6,885)	(16,655)	(21,427)	(25,487)	(22,711)	(19,040)	(17,406)	(16,181)	(15,004)
Funding balance ((A-B) + (C-D))	0	0	(0)	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	9,877	12,211	15,067	15,725	18,039	17,997	15,974	13,636	13,536	14,077	14,093

FUNDING IMPACT STATEMENT
Parking (7.2)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	(19,037)	(25,048)	(29,169)	(29,550)	(29,578)	(30,490)	(31,882)	(32,442)	(33,836)	(33,209)	(30,388)
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	22,323	35,288	36,327	37,411	38,528	39,681	41,471	42,121	43,315	44,616	46,027
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	6,994	9,122	12,743	13,125	13,519	13,924	14,342	14,772	15,216	15,672	16,142
Total operating funding (A)	10,282	19,345	19,901	21,006	22,469	23,115	23,931	24,451	24,744	25,149	25,800
Applications of operating funding											
Payments to staff and suppliers	12,752	13,146	13,101	13,400	13,754	14,109	14,489	14,866	15,453	15,836	16,327
Finance costs	13	6	11	14	15	17	17	16	18	15	13
Internal charges and overheads applied	4,023	4,525	4,611	4,653	5,110	5,214	5,206	5,146	5,178	5,230	5,258
Other operating funding applications	1	2	2	2	2	2	2	2	2	2	2
Total applications of operating funding (B)	16,789	17,679	17,724	18,075	18,881	19,341	19,714	20,030	20,646	21,083	21,600
Surplus (deficit) of operating funding (A-B)	(6,707)	1,666	2,176	2,931	3,587	3,784	4,216	4,421	4,097	4,065	4,199
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	7,268	1,185	1,422	(794)	(1,650)	(1,723)	(1,677)	(2,096)	(1,628)	(1,062)	(1,419)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	7,268	1,185	1,422	(794)	(1,650)	(1,723)	(1,677)	(2,096)	(1,628)	(1,062)	(1,419)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	123	181	190	197	206	215	225	235	242	249	258
- to replace existing assets	438	2,489	3,347	1,835	1,552	1,598	1,994	1,696	1,746	2,179	1,853
Increase (decrease) in reserves	(0)	(0)	62	104	179	247	320	394	461	576	671
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	561	2,851	3,599	2,137	1,937	2,061	2,539	2,325	2,469	3,003	2,780
Surplus (deficit) of capital funding (C-D)	6,707	(1,666)	(2,176)	(2,931)	(3,587)	(3,784)	(4,216)	(4,421)	(4,097)	(4,065)	(4,199)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	549	351	802	1,514	2,096	2,324	2,583	2,734	2,904	2,177	2,263

FUNDING IMPACT STATEMENT
Transport (7.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	42,133	52,321	63,332	72,936	83,854	93,857	104,687	114,595	124,637	129,598	129,820
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	7,070	6,233	7,998	7,152	7,516	7,050	7,142	7,244	7,484	7,671	7,891
Fees and charges	2,357	3,550	3,836	3,714	3,736	3,875	3,958	4,063	4,150	4,219	4,310
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	51,560	62,166	75,217	83,802	95,148	104,790	115,787	125,842	136,220	141,485	142,021
Applications of operating funding											
Payments to staff and suppliers	25,253	25,346	26,262	25,795	24,980	25,102	25,335	26,405	27,108	26,439	27,145
Finance costs	7,101	4,584	7,851	10,049	10,690	12,065	12,438	11,748	11,314	11,132	9,988
Internal charges and overheads applied	8,733	9,412	8,391	9,376	9,929	10,078	10,198	10,267	10,485	10,565	10,720
Other operating funding applications	2,520	2,647	5,350	1,200	1,600	400	200	0	0	0	0
Total applications of operating funding (B)	43,597	42,289	49,184	46,420	47,205	47,723	48,730	48,419	48,883	48,135	47,862
Surplus (deficit) of operating funding (A-B)	7,963	19,877	26,033	37,382	47,938	57,067	67,057	77,423	87,337	93,350	94,159
Sources of capital funding											
Subsidies and grants for capital expenditure	25,362	27,850	27,978	23,203	33,209	36,574	33,168	32,488	33,527	32,197	34,662
Development and financial contributions	539	942	842	942	942	842	942	942	842	962	942
Increase (decrease) in debt	36,412	17,483	27,754	29,976	42,537	36,555	16,554	(11,902)	(23,600)	(51,907)	(49,389)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	62,313	46,255	56,675	54,121	76,689	74,051	50,164	21,507	10,869	(18,767)	(13,785)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	7,188	3,846	19,377	31,568	55,077	54,063	48,971	30,151	27,492	3,463	6,803
- to improve level of service	23,783	29,935	32,554	30,853	37,112	42,709	34,512	30,739	31,323	30,145	31,025
- to replace existing assets	37,327	30,277	34,825	30,930	33,685	34,022	35,297	37,455	32,725	40,215	41,692
Increase (decrease) in reserves	(0)	(0)	91	152	254	304	441	536	647	754	873
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	70,276	66,132	82,708	93,503	124,427	131,317	117,221	98,930	98,206	74,582	80,394
Surplus (deficit) of capital funding (C-D)	(7,963)	(19,877)	(26,033)	(37,382)	(47,938)	(57,067)	(67,057)	(77,423)	(87,337)	(93,350)	(94,159)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	34,728	35,700	43,251	49,601	59,125	68,021	78,107	88,779	93,657	104,656	105,433

FUNDING IMPACT STATEMENT
Building and development control (6.2)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	11,376	12,923	13,183	13,838	15,136	15,642	15,748	15,647	16,111	16,577	16,902
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	10,093	17,808	18,853	18,778	18,860	19,272	19,661	20,132	20,366	20,773	21,267
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	19	11	11	11	12	12	12	12	12	13	13
Total operating funding (A)	21,496	30,742	31,858	32,629	34,107	34,925	35,420	35,791	36,489	37,363	38,182
Applications of operating funding											
Payments to staff and suppliers	16,321	20,736	18,214	18,547	18,897	19,500	19,744	20,216	20,703	21,237	21,802
Finance costs	1	1	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	10,393	11,858	12,022	12,187	13,351	13,613	13,502	13,237	13,237	13,383	13,418
Other operating funding applications	536	521	522	522	522	523	525	524	524	525	525
Total applications of operating funding (B)	27,252	33,116	30,778	31,257	32,771	33,438	33,771	33,978	34,466	35,146	35,747
Surplus (deficit) of operating funding (A-B)	(5,755)	(2,373)	1,061	1,172	1,336	1,487	1,649	1,813	2,003	2,217	2,435
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	47,765	36,031	29,053	3,518	(943)	(943)	(945)	(940)	(937)	(930)	(930)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	47,765	36,531	29,053	3,518	(943)	(943)	(940)	(940)	(937)	(930)	(930)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	37,920	33,857	29,992	4,459	0	0	0	0	0	0	0
- to replace existing assets	4,090	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	(0)	142	231	396	545	709	873	1,067	1,287	1,505
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	42,010	33,857	30,135	4,690	396	545	709	873	1,067	1,287	1,505
Surplus (deficit) of capital funding (C-D)	5,755	2,373	(1,081)	(1,172)	(1,335)	(1,487)	(1,649)	(1,813)	(2,003)	(2,217)	(2,435)
Funding balance ((A-B) + (C-D))	0	(0)	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	23	21	34	36	36	37	34	34	31	24	25

FUNDING IMPACT STATEMENT
Urban development, heritage and public spaces development (6.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	9,953	14,420	15,307	15,594	15,292	15,051	14,981	15,182	15,283	15,632	16,049
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,031	1,708	1,760	1,795	1,832	1,866	1,906	1,944	1,963	2,053	2,094
Internal charges and overheads recovered	1,156	574	604	687	390	455	379	259	266	273	280
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	12,140	16,703	17,572	18,076	17,513	17,352	17,275	17,385	17,511	17,957	18,422
Applications of operating funding											
Payments to staff and suppliers	8,556	12,530	23,125	11,632	10,175	9,504	9,609	9,585	9,490	9,724	9,860
Finance costs	28	(35)	(24)	(21)	(13)	(7)	(4)	(5)	(5)	(1)	(1)
Internal charges and overheads applied	2,926	3,478	4,361	3,513	4,029	4,058	4,029	3,998	4,022	4,014	4,020
Other operating funding applications	503	503	503	503	503	503	503	503	503	505	503
Total applications of operating funding (B)	12,013	16,526	27,965	15,676	14,697	14,377	14,137	14,080	14,013	14,242	14,483
Surplus (deficit) of operating funding (A-B)	127	177	(10,393)	2,400	2,816	2,974	3,139	3,305	3,498	3,715	3,940
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	4,486	19,190	19,309	4,873	2,314	3,467	2,624	1,333	1,311	1,274	1,204
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	4,486	19,190	19,309	4,873	2,314	3,467	2,624	1,333	1,311	1,274	1,204
Applications of capital funding											
Capital expenditure											
- to meet additional demand	453	7,648	235	66	1,049	2,111	1,462	0	180	0	129
- to improve level of service	2,872	3,621	3,273	4,961	2,656	2,016	2,774	3,006	2,893	3,139	3,015
- to replace existing assets	1,288	8,700	5,337	2,178	1,232	1,264	1,290	1,332	1,372	1,413	1,431
Increase (decrease) in reserves	0	(8)	70	78	154	180	237	299	364	437	509
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	4,613	19,367	8,915	7,273	5,130	6,441	5,763	4,638	4,810	4,989	5,145
Surplus (deficit) of capital funding (C-D)	(127)	(177)	10,393	(2,400)	(2,816)	(2,974)	(3,139)	(3,305)	(3,498)	(3,715)	(3,940)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	127	177	352	1,245	1,651	1,713	1,830	1,934	2,052	2,197	2,349

FUNDING IMPACT STATEMENT
Public health and safety (5.3)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	12,904	14,325	14,955	15,351	16,590	17,046	17,465	17,815	18,142	18,828	19,090
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	10	12	12	13	13	13	14	14	14	15	15
Fees and charges	3,256	4,824	4,989	5,053	5,172	5,287	5,393	5,515	5,643	5,761	5,884
Internal charges and overheads recovered	751	654	620	690	701	726	742	751	771	791	819
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	53	23	23	24	24	25	25	26	28	27	27
Total operating funding (A)	16,974	19,847	20,609	21,126	22,631	23,097	23,639	24,119	24,603	25,236	25,836
Applications of operating funding											
Payments to staff and suppliers	10,214	10,694	10,924	11,147	11,586	11,817	12,034	12,319	12,551	12,810	13,105
Finance costs	152	95	157	207	221	249	257	240	229	224	193
Internal charges and overheads applied	7,510	7,197	7,329	7,386	8,001	8,173	8,184	8,138	8,181	8,315	8,399
Other operating funding applications	55	56	57	58	60	61	62	64	65	65	66
Total applications of operating funding (B)	17,931	18,041	18,528	18,798	19,848	20,299	20,537	20,755	21,043	21,414	21,764
Surplus (deficit) of operating funding (A-B)	(957)	1,806	2,081	2,328	2,613	2,798	3,102	3,364	3,560	3,822	4,071
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	4,267	832	1,029	2,617	1,878	2,001	(225)	(365)	(715)	(739)	(887)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	4,267	832	1,029	2,617	1,878	2,001	(225)	(365)	(715)	(739)	(887)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	1,379	2,543	2,329	296	308	0	0	0
- to improve level of service	1,524	51	58	65	72	80	87	98	105	116	123
- to replace existing assets	1,785	2,738	2,965	3,394	1,691	2,137	2,169	2,197	2,255	2,326	2,387
Increase (decrease) in reserves	1	(0)	87	107	185	253	325	401	485	583	674
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	3,310	2,788	3,110	4,946	4,491	4,799	2,877	2,999	2,845	3,023	3,184
Surplus (deficit) of capital funding (C-D)	957	(1,806)	(2,081)	(2,328)	(2,613)	(2,798)	(3,102)	(3,364)	(3,560)	(3,822)	(4,071)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	1,257	1,548	1,756	1,963	2,170	2,387	2,519	2,705	2,857	2,981	3,139

FUNDING IMPACT STATEMENT
Community participation and support (5.2)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	31,207	33,174	34,946	36,288	35,741	37,151	38,987	40,704	41,945	42,588	42,441
Targeted rates (other than a targeted rate for water supply)	5,382	5,618	5,974	6,307	6,646	6,897	6,994	7,082	7,174	7,326	7,392
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	25,838	27,836	28,965	30,181	32,197	33,734	33,590	37,048	40,019	42,289	44,172
Internal charges and overheads recovered	448	370	754	776	396	365	506	367	375	304	385
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	271	427	420	432	608	626	659	658	672	681	712
Total operating funding (A)	64,146	67,306	71,061	74,424	75,585	78,724	83,735	86,638	90,199	93,204	95,111
Applications of operating funding											
Payments to staff and suppliers	32,338	33,228	34,058	35,088	33,801	34,771	35,512	36,501	37,510	38,572	38,447
Finance costs	(1,218)	1,434	1,262	1,009	573	(105)	(334)	(1,775)	(1,530)	(2,221)	(2,131)
Internal charges and overheads applied	15,424	16,571	17,151	17,531	18,209	19,575	19,153	18,893	18,875	19,134	19,234
Other operating funding applications	5,277	4,681	4,863	4,555	4,667	4,670	4,671	4,674	4,677	4,820	4,812
Total applications of operating funding (B)	51,823	55,884	57,124	58,294	58,250	58,915	58,502	58,095	59,551	60,105	61,252
Surplus (deficit) of operating funding (A-B)	12,323	12,023	13,936	16,130	17,334	19,808	25,233	28,544	30,668	33,100	33,859
Sources of capital funding											
Subsidies and grants for capital expenditure	1,211	350	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	5,642	7,424	6,793	1,075	(12,601)	(15,614)	(17,862)	(24,177)	(26,016)	(28,105)	(28,571)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	6,853	7,774	6,793	1,075	(12,601)	(15,614)	(17,862)	(24,177)	(26,016)	(28,105)	(28,571)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	1,220	2,078	0	0	0	0	0	0	0	0	0
- to replace existing assets	17,953	17,668	20,510	16,956	4,335	3,597	6,609	3,420	3,497	3,601	3,674
Increase (decrease) in reserves	1	1	149	249	425	598	763	947	1,155	1,383	1,614
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	19,176	19,747	20,729	17,205	4,733	4,195	7,372	4,367	4,652	4,984	5,288
Surplus (deficit) of capital funding (C-D)	(12,323)	(12,023)	(13,936)	(16,130)	(17,334)	(19,809)	(25,233)	(28,544)	(30,668)	(33,100)	(33,859)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	18,988	20,509	23,756	26,542	29,073	30,552	34,173	35,322	35,692	35,654	35,178

FUNDING IMPACT STATEMENT
Recreation promotion and support (5.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	31,490	33,905	36,120	36,510	38,805	40,272	40,587	42,527	43,277	44,651	46,354
Targeted rates (other than a targeted rate for water supply)	1,524	2,366	2,621	2,657	2,735	2,865	2,973	3,085	3,171	3,266	3,250
Subsidies and grants for operating purposes	19	20	21	21	22	22	17	18	18	19	19
Fees and charges	9,333	12,212	12,289	13,319	13,597	13,852	14,138	14,280	15,134	15,642	15,454
Internal charges and overheads recovered	1,155	1,123	1,150	1,168	1,193	1,217	1,246	1,274	1,305	1,339	1,375
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	43,516	49,627	52,171	53,475	56,250	57,928	58,903	61,142	62,905	64,902	66,452
Applications of operating funding											
Payments to staff and suppliers	22,673	23,426	24,122	24,462	25,139	25,765	26,338	27,300	27,718	28,612	29,365
Finance costs	2,537	2,300	2,528	2,600	2,669	2,777	2,778	2,641	2,595	2,575	2,464
Internal charges and overheads applied	12,703	13,272	13,641	13,734	14,689	15,235	15,175	15,090	15,225	15,455	15,579
Other operating funding applications	292	915	982	851	971	929	1,052	1,029	1,048	1,065	1,080
Total applications of operating funding (B)	38,204	39,913	41,224	41,848	43,768	44,706	45,300	46,000	46,650	47,703	48,479
Surplus (deficit) of operating funding (A-B)	5,312	9,714	10,946	11,628	12,481	13,222	13,601	15,142	16,254	17,199	17,973
Sources of capital funding											
Subsidies and grants for capital expenditure	748	0	0	705	450	412	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	4,511	(849)	2,185	(4,175)	1,052	(3,406)	(556)	(7,594)	(7,338)	(7,205)	(7,576)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	5,259	(849)	2,185	(3,393)	1,502	(2,993)	(556)	(7,594)	(7,338)	(7,200)	(7,576)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	259	3	1	3,500	3,510	3,587	6,192	0	141	152	155
- to replace existing assets	10,312	8,861	12,971	6,593	9,933	6,029	6,283	6,568	7,575	8,456	8,564
Increase (decrease) in reserves	1	(3)	150	260	440	614	791	982	1,193	1,460	1,679
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	10,571	8,864	13,132	8,235	13,883	10,230	13,265	7,548	8,916	9,998	10,398
Surplus (deficit) of capital funding (C-D)	(5,312)	(9,714)	(10,946)	(11,628)	(12,481)	(13,222)	(13,601)	(15,142)	(16,254)	(17,199)	(17,973)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	7,508	9,135	10,226	10,807	11,401	12,048	12,250	13,690	14,502	15,189	15,735

FUNDING IMPACT STATEMENT
Arts and cultural activities (4.1)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	14,322	17,324	17,054	17,924	18,256	18,653	18,874	19,303	19,637	19,982	20,614
Targeted rates (other than a targeted rate for water supply)	5,889	5,976	6,010	6,088	6,170	6,249	6,398	6,524	6,601	6,681	6,626
Subsidies and grants for operating purposes	224	324	334	340	347	356	361	369	376	383	391
Fees and charges	552	643	671	700	725	757	785	821	845	869	886
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	20,987	24,257	24,099	25,053	25,496	26,014	26,418	27,017	27,459	27,925	28,517
Applications of operating funding											
Payments to staff and suppliers	4,836	5,372	5,023	5,642	5,651	5,890	5,724	5,656	5,819	6,129	6,572
Finance costs	88	51	53	52	48	48	50	46	46	43	38
Internal charges and overheads applied	896	1,844	1,845	1,913	2,066	2,120	2,089	2,089	2,094	2,128	2,183
Other operating funding applications	14,911	16,203	16,437	16,701	16,965	17,217	17,478	17,766	17,984	18,226	18,462
Total applications of operating funding (B)	20,734	23,470	23,358	24,308	24,730	25,274	25,342	25,737	26,121	26,526	27,242
Surplus (deficit) of operating funding (A-B)	252	787	740	745	768	739	1,076	1,279	1,337	1,399	1,275
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	32,377	49,729	31,850	7,874	5,177	318	(974)	(1,157)	(1,189)	(1,221)	(1,064)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	32,377	49,729	31,850	7,874	5,177	318	(974)	(1,157)	(1,189)	(1,221)	(1,064)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	32,630	50,495	32,670	8,585	5,889	977	2	2	2	2	2
- to replace existing assets	0	20	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(1)	1	20	34	56	80	100	120	146	176	209
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	32,629	50,516	32,690	8,619	5,946	1,058	102	122	148	178	211
Surplus (deficit) of capital funding (C-D)	(252)	(787)	(740)	(745)	(768)	(739)	(1,076)	(1,279)	(1,337)	(1,399)	(1,275)
Funding balance ((A-B) + (C-D))	(0)	0	0	(0)	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	715	729	683	654	655	602	819	1,103	1,134	1,108	1,039

FUNDING IMPACT STATEMENT
City promotions and business support (3.1)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	8,808	7,931	8,616	14,602	14,533	14,200	13,438	13,376	13,281	13,396	13,353
Targeted rates (other than a targeted rate for water supply)	12,442	15,828	15,716	18,866	21,404	21,214	21,078	21,440	21,644	22,054	22,183
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	15,277	8,326	10,967	23,203	29,497	30,574	40,252	42,862	45,452	47,349	48,835
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	36,527	32,085	35,270	56,672	65,425	65,987	74,769	77,678	80,378	82,799	84,350
Applications of operating funding											
Payments to staff and suppliers	18,394	13,695	15,891	26,928	33,178	30,252	40,455	42,548	44,573	46,121	47,301
Finance costs	2,623	2,700	2,705	3,401	3,631	3,569	3,507	3,445	3,358	3,326	3,265
Internal charges and overheads applied	2,127	1,372	1,478	1,806	2,110	2,378	2,204	2,199	2,233	2,269	2,212
Other operating funding applications	15,980	15,391	15,747	18,163	16,564	18,947	17,345	17,788	18,118	18,471	18,833
Total applications of operating funding (B)	39,124	33,158	35,821	50,297	55,483	55,146	63,511	65,980	68,308	70,247	71,768
Surplus (deficit) of operating funding (A-B)	(2,597)	(1,073)	(551)	6,375	9,941	10,841	11,258	11,698	12,070	12,551	12,583
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	15,405	4,906	9,804	(2,068)	(5,107)	7,690	(5,267)	(5,625)	(5,805)	(6,195)	(2,316)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	15,405	4,906	9,804	(2,068)	(5,107)	7,690	(5,267)	(5,625)	(5,805)	(6,195)	(2,316)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	1,000	2,050	2,101	2,143	16,374	3,345	3,412	3,480	3,549	7,241
- to replace existing assets	12,803	2,832	7,185	2,161	2,624	2,027	2,503	2,493	2,532	2,568	2,750
Increase (decrease) in reserves	(7)	1	17	43	77	130	138	168	204	261	276
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	12,808	3,833	9,252	4,305	4,835	18,531	5,991	6,073	6,265	6,357	10,267
Surplus (deficit) of capital funding (C-D)	2,597	1,073	551	(6,375)	(9,941)	(10,841)	(11,258)	(11,698)	(12,070)	(12,551)	(12,583)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	1,619	2,373	2,314	4,551	8,033	8,952	9,339	9,730	10,036	10,530	10,520

FUNDING IMPACT STATEMENT
Conservation attractions (2.6)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	6,988	7,471	8,463	8,258	8,390	8,571	9,060	9,391	9,573	9,676	9,782
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	6,988	7,471	8,463	8,258	8,390	8,571	9,060	9,391	9,573	9,676	9,782
Applications of operating funding											
Payments to staff and suppliers	179	246	773	258	264	269	275	281	287	293	289
Finance costs	588	434	527	628	591	640	658	634	629	622	586
Internal charges and overheads applied	0	201	247	211	223	228	230	232	238	240	244
Other operating funding applications	4,550	4,732	4,874	5,042	5,187	5,327	5,475	5,636	5,748	5,864	5,981
Total applications of operating funding (B)	5,317	5,613	6,421	6,140	6,265	6,464	6,639	6,784	6,900	7,025	7,121
Surplus (deficit) of operating funding (A-B)	1,671	1,858	2,042	2,118	2,125	2,107	2,421	2,607	2,673	2,651	2,661
Sources of capital funding											
Subsidies and grants for capital expenditure	280	429	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	1,902	351	(1,081)	(1,102)	(1,076)	(1,026)	(1,305)	(1,455)	(1,486)	(1,426)	(1,398)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	2,182	780	(1,081)	(1,102)	(1,076)	(1,026)	(1,305)	(1,455)	(1,486)	(1,426)	(1,398)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	2,899	1,716	0	0	0	0	0	0	0	0	0
- to replace existing assets	959	921	959	1,014	1,045	1,078	1,111	1,145	1,179	1,215	1,251
Increase (decrease) in reserves	(8)	0	2	2	4	4	5	7	8	10	12
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	3,853	2,638	961	1,016	1,049	1,082	1,116	1,152	1,187	1,225	1,263
Surplus (deficit) of capital funding (C-D)	(1,671)	(1,858)	(2,042)	(2,118)	(2,125)	(2,107)	(2,421)	(2,607)	(2,673)	(2,651)	(2,661)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	1,871	1,858	2,040	2,116	2,122	2,123	2,416	2,600	2,665	2,641	2,650

FUNDING IMPACT STATEMENT
Stormwater (2.5)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	21,938	27,134	30,095	32,550	34,232	36,054	37,518	38,575	39,879	41,399	42,781
Subsidies and grants for operating purposes	193	159	166	171	176	182	187	193	199	205	211
Fees and charges	11	3	3	3	3	3	3	3	3	3	3
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	22,142	27,296	30,263	32,723	34,411	36,238	37,708	38,771	40,081	41,607	42,995
Applications of operating funding											
Payments to staff and suppliers	7,394	12,727	13,361	13,837	14,255	14,511	14,947	15,396	16,058	16,180	16,824
Finance costs	2,610	2,263	3,753	4,935	5,275	5,973	6,133	5,726	5,471	5,508	4,740
Internal charges and overheads applied	2,454	688	706	710	788	758	794	793	806	811	822
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	12,458	15,678	17,820	19,483	20,316	21,242	21,873	21,916	22,336	22,499	22,386
Surplus (deficit) of operating funding (A-B)	9,684	11,617	12,443	13,240	14,095	14,996	15,835	16,855	17,945	19,108	20,610
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	38	102	102	102	102	102	102	102	102	101	102
Increase (decrease) in debt	(1,940)	(6,612)	(4,737)	(4,548)	(4,011)	(4,354)	(7,955)	(10,300)	(11,254)	(9,161)	(10,715)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(1,902)	(6,510)	(4,635)	(4,446)	(3,909)	(4,253)	(7,854)	(10,198)	(11,152)	(9,060)	(10,613)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	182	166	174	179	184	190	195	201	3,103	3,201
- to improve level of service	4,101	645	3,201	4,107	5,124	5,523	2,528	456	469	473	0
- to replace existing assets	3,701	4,285	4,421	4,482	4,829	4,967	5,174	5,700	5,997	6,309	6,627
Increase (decrease) in reserves	0	(5)	17	32	54	70	89	106	126	163	153
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	7,802	5,107	7,806	8,794	10,185	10,744	7,981	6,457	6,793	10,049	9,896
Surplus (deficit) of capital funding (C-D)	(9,684)	(11,617)	(12,443)	(13,240)	(14,095)	(14,996)	(15,835)	(16,855)	(17,945)	(19,108)	(20,610)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	10,303	11,494	12,302	13,015	13,917	14,923	15,748	16,749	17,820	18,960	20,441

FUNDING IMPACT STATEMENT
Wastewater (2.4)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	47,481	51,457	55,892	60,884	64,072	67,358	67,510	67,748	70,426	73,422	76,430
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	694	835	868	894	921	949	977	1,007	1,037	1,068	1,100
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	48,175	52,292	56,760	61,778	64,993	68,306	68,488	68,755	71,463	74,490	77,530
Applications of operating funding											
Payments to staff and suppliers	21,789	24,042	25,928	27,542	28,324	28,894	28,761	30,654	31,573	32,520	33,628
Finance costs	3,981	3,347	4,768	5,889	6,190	6,810	6,964	6,536	6,288	6,167	5,576
Internal charges and overheads applied	5,768	1,917	1,637	2,010	2,282	2,298	2,304	2,284	2,315	2,341	2,341
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	31,537	29,706	32,233	35,442	36,796	38,001	39,028	39,474	40,176	41,028	41,544
Surplus (deficit) of operating funding (A-B)	16,638	22,586	24,527	26,336	28,197	30,305	29,460	29,280	31,287	33,462	35,986
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	548	961	961	961	961	961	961	961	961	961	961
Increase (decrease) in debt	(3,647)	1,147	(4,875)	(9,361)	(11,521)	(10,643)	5,458	229	2,423	26,254	53,895
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(3,099)	2,108	(3,914)	(8,400)	(10,559)	(9,682)	6,419	1,190	3,385	27,215	54,856
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	12,934	6,755	3,292	3,539	5,778	20,575	13,731	16,674	40,904	43,722
- to improve level of service	2,501	350	1,698	1,258	0	0	0	0	0	0	0
- to replace existing assets	11,039	11,308	12,076	13,254	14,078	14,354	14,938	16,308	17,480	19,090	21,433
Increase (decrease) in reserves	(1)	(8)	71	132	221	292	365	435	510	605	678
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	13,540	24,694	20,610	17,936	17,638	20,424	35,878	30,471	34,671	60,677	70,842
Surplus (deficit) of capital funding (C-D)	(16,638)	(22,586)	(24,527)	(26,336)	(28,197)	(30,105)	(29,460)	(29,280)	(31,287)	(33,462)	(35,986)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	20,140	21,101	22,970	24,719	26,491	28,520	27,197	27,548	29,572	31,662	34,105

FUNDING IMPACT STATEMENT
Water (2.3)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates (other than a targeted rate for water supply)	53,247	53,900	58,328	62,132	65,427	68,797	71,081	73,986	77,245	78,350	78,716
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	39	45	47	48	50	51	53	54	56	58	59
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	53,286	53,945	58,375	62,180	65,476	68,848	71,134	74,040	77,301	78,408	78,775
Applications of operating funding											
Payments to staff and suppliers	28,475	31,169	32,055	33,710	34,705	35,747	37,020	37,924	39,062	40,234	41,441
Finance costs	3,383	1,803	3,591	3,933	4,205	4,737	4,688	4,564	4,361	4,281	3,772
Internal charges and overheads applied	2,510	858	882	880	1,021	1,013	1,016	1,009	1,022	1,654	1,037
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	34,368	33,830	36,528	38,523	39,931	41,497	42,724	43,497	44,445	45,329	46,250
Surplus (deficit) of operating funding (A-B)	18,918	20,114	21,846	23,657	25,505	27,351	28,410	30,544	32,856	33,878	32,526
Sources of capital funding											
Subsidies and grants for capital expenditure	0	5,350	0	0	0	0	0	0	0	0	0
Development and financial contributions	671	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175
Increase (decrease) in debt	6,983	7,335	4,373	(2,422)	(7,012)	(5,228)	(4,992)	(4,599)	(3,119)	(3,975)	(7,979)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	7,654	13,860	5,547	(1,247)	(5,837)	(4,053)	(3,817)	(3,424)	(1,944)	(2,800)	(6,804)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	23,969	15,158	810	3,231	1,166	1,277	7,553	10,232	9,666	3,221
- to improve level of service	19,649	2,520	4,155	11,269	5,755	5,791	5,812	6,598	6,929	6,816	7,190
- to replace existing assets	6,928	7,486	8,050	10,275	10,588	16,216	17,350	12,831	13,551	14,337	15,017
Increase (decrease) in reserves	(3)	0	31	56	94	125	154	137	221	259	293
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	26,574	33,975	27,394	22,410	19,668	23,298	24,593	27,119	30,912	31,078	25,721
Surplus (deficit) of capital funding (C-D)	(18,918)	(20,114)	(21,846)	(23,657)	(25,505)	(27,351)	(28,410)	(30,544)	(32,856)	(33,878)	(32,526)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	19,842	19,929	21,631	23,416	25,227	27,061	28,254	30,537	32,635	33,619	32,232

FUNDING IMPACT STATEMENT
Waste reduction and energy conservation (2.2)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,228	4,421	4,566	4,823	4,930	5,181	4,097	3,927	3,824	3,989	3,935
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	21,053	22,337	25,579	29,031	30,948	33,302	35,552	37,952	40,300	43,250	46,148
Internal charges and overheads recovered	501	618	634	643	656	667	682	698	714	733	753
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	22,782	27,376	30,758	34,497	36,529	39,151	40,330	42,577	44,978	47,951	50,831
Applications of operating funding											
Payments to staff and suppliers	18,011	21,339	24,689	27,894	28,729	30,314	30,788	32,290	34,181	36,358	38,644
Finance costs	755	981	1,082	1,162	1,206	1,264	1,303	1,316	1,338	1,364	1,370
Internal charges and overheads applied	3,233	3,712	3,796	3,866	4,225	4,355	4,391	4,435	4,523	4,636	4,714
Other operating funding applications	210	216	451	393	401	399	399	400	450	400	399
Total applications of operating funding (B)	22,221	26,448	29,968	33,121	34,540	36,316	36,881	38,420	40,439	42,757	45,127
Surplus (deficit) of operating funding (A-B)	560	928	791	1,376	1,988	2,837	3,450	4,156	4,540	5,194	5,704
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	6,203	4,095	9,571	11,702	7,663	4,398	3,561	2,467	7,881	8,574	2,314
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	6,203	4,095	9,571	11,702	7,663	4,398	3,561	2,467	7,881	8,574	2,314
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	1,107	1,649	1,657	1,731	1,295	734	31	497	31	274
- to replace existing assets	6,784	3,837	8,653	11,319	7,743	5,693	5,960	6,203	11,448	13,161	7,079
Increase (decrease) in reserves	(8)	(5)	59	102	177	247	317	389	475	569	665
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	6,763	5,023	10,361	13,078	9,651	7,234	7,011	6,623	12,421	13,768	8,018
Surplus (deficit) of capital funding (C-D)	(560)	(928)	(791)	(1,376)	(1,988)	(2,837)	(3,450)	(4,156)	(4,540)	(5,194)	(5,704)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	501	699	789	951	1,168	1,400	2,247	2,723	2,728	2,831	2,750

FUNDING IMPACT STATEMENT
Gardens, beaches and green open spaces (2.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	44,073	48,198	48,422	50,426	52,931	55,120	56,475	57,736	58,782	60,293	61,344
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,180	1,322	1,551	1,592	1,634	1,452	1,496	1,541	1,588	1,635	1,684
Fees and charges	1,427	1,644	1,973	2,130	2,177	2,139	2,302	2,385	2,443	2,520	2,578
Internal charges and overheads recovered	6,293	5,014	5,882	6,022	6,164	6,299	6,439	6,590	6,750	6,926	7,113
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	52,977	54,177	57,879	59,970	62,726	65,110	66,712	68,251	69,563	71,374	72,617
Applications of operating funding											
Payments to staff and suppliers	28,481	28,705	30,106	30,921	31,786	32,687	33,420	34,441	35,122	36,135	36,809
Finance costs	2,082	1,839	2,543	3,571	3,700	4,157	4,085	3,673	3,360	3,110	2,581
Internal charges and overheads applied	16,091	14,500	14,839	14,996	16,004	16,292	16,401	16,452	16,745	17,087	17,312
Other operating funding applications	147	157	157	167	167	187	187	187	157	187	187
Total applications of operating funding (B)	44,781	45,310	47,555	49,656	51,637	53,263	54,070	54,713	55,355	56,499	57,048
Surplus (deficit) of operating funding (A-B)	8,196	8,867	9,724	10,314	11,089	11,847	12,642	13,539	14,168	14,875	15,569
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	183	320	320	320	320	320	320	320	310	320	320
Increase (decrease) in debt	(2,035)	(9,143)	(3,895)	(3,033)	4,748	(1,836)	(7,417)	(5,226)	(7,607)	(8,604)	(7,640)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(1,853)	(8,823)	(3,576)	(2,713)	5,067	(1,516)	(7,097)	(4,906)	(7,287)	(8,284)	(7,320)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	27	1,727	1,699	8,227	899	741	3,035	756	810	34
- to improve level of service	3,036	408	706	950	724	365	157	162	770	372	2,759
- to replace existing assets	3,302	3,607	3,584	4,723	6,023	8,559	3,973	4,590	4,326	4,216	4,081
Increase (decrease) in reserves	3	0	331	234	383	320	674	826	998	1,193	1,375
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	6,341	4,043	6,348	7,604	16,156	10,331	5,546	8,632	6,881	6,590	8,249
Surplus (deficit) of capital funding (C-D)	(8,196)	(8,867)	(9,724)	(10,314)	(11,089)	(11,847)	(12,642)	(13,539)	(14,168)	(14,875)	(15,569)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	8,913	8,787	8,514	10,010	10,623	11,240	11,890	12,654	13,090	13,603	14,115

FUNDING IMPACT STATEMENT
Maori and mana whenua partnerships (1.2)

	2020/21 AP $000s	2021/22 LTP $000s	2022/23 LTP $000s	2023/24 LTP $000s	2024/25 LTP $000s	2025/26 LTP $000s	2026/27 LTP $000s	2027/28 LTP $000s	2028/29 LTP $000s	2029/30 LTP $000s	2030/31 LTP $000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	317	2,458	3,589	3,663	3,742	3,818	3,890	3,968	4,039	4,120	4,201
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	317	2,458	3,589	3,663	3,742	3,818	3,890	3,968	4,039	4,120	4,201
Applications of operating funding											
Payments to staff and suppliers	297	2,353	3,453	3,522	3,592	3,664	3,738	3,812	3,889	3,967	4,047
Finance costs	1	0	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	16	91	118	121	129	132	130	127	128	127	128
Other operating funding applications	0	10	10	10	10	10	10	10	10	10	10
Total applications of operating funding (B)	313	2,454	3,581	3,654	3,732	3,807	3,879	3,950	4,026	4,105	4,186
Surplus (deficit) of operating funding (A-B)	4	4	8	8	10	11	11	13	13	15	15
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(4)	(4)	(7)	(8)	(8)	(9)	(9)	(9)	(10)	(10)	(10)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(4)	(4)	(7)	(8)	(8)	(9)	(9)	(9)	(10)	(10)	(10)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	0	0	1	1	2	2	4	4	5	5
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	(0)	0	0	1	1	2	2	4	4	5	5
Surplus (deficit) of capital funding (C-D)	(4)	(4)	(8)	(9)	(10)	(11)	(11)	(13)	(13)	(15)	(15)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	4	4	7	8	8	9	9	9	10	10	10

FUNDING IMPACT STATEMENT
Governance information and engagement (1.1)

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	19,225	20,697	22,326	21,682	22,766	23,909	23,667	23,904	24,928	24,828	25,343
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	518	528	533	554	566	980	588	600	1,050	624	637
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	19,743	21,225	22,859	22,236	23,332	24,889	24,255	24,504	25,978	25,452	25,980
Applications of operating funding											
Payments to staff and suppliers	11,820	11,923	13,100	12,180	12,243	13,450	12,778	13,935	14,335	13,700	14,043
Finance costs	15	9	16	21	22	23	26	24	23	22	25
Internal charges and overheads applied	7,961	8,703	9,056	9,123	9,896	10,176	10,048	9,022	9,949	9,963	10,010
Other operating funding applications	5,010	75	75	75	75	79	75	75	75	75	75
Total applications of operating funding (B)	24,806	20,711	22,247	21,399	22,236	23,678	22,927	23,056	24,382	23,760	24,154
Surplus (deficit) of operating funding (A-B)	(5,063)	514	612	838	1,096	1,212	1,329	1,448	1,597	1,692	1,826
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	5,063	(515)	(379)	(681)	(831)	(685)	(849)	(858)	(866)	(824)	(811)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	5,063	(515)	(379)	(681)	(831)	(685)	(849)	(858)	(866)	(824)	(811)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	155	0	0	153	0	0	0	0	0
Increase (decrease) in reserves	(0)	(1)	78	157	265	374	480	590	731	868	1,015
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	(0)	(1)	233	157	265	527	480	590	731	868	1,015
Surplus (deficit) of capital funding (C-D)	5,063	(514)	(612)	(838)	(1,096)	(1,212)	(1,329)	(1,448)	(1,597)	(1,692)	(1,826)
Funding balance ((A-B) + (C-D))	0	0	0	0	0	0	0	0	0	0	0
Expenses for this activity grouping include the following depreciation/amortisation charge	25	6	5	172	322	330	340	349	337	315	302

	2020/21 AP	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Governance information and engagement											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	155	0	0	153	0	0	0	0	0
Total Governance information and engagement	0	0	155	0	0	153	0	0	0	0	0
Organisational Projects											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	7,171	18,097	59,833	69,550	32,624	24,095	50	51	53	54	55
- to replace existing assets	11,135	11,683	21,752	20,218	12,980	12,419	8,941	10,761	11,146	10,008	9,792
Total Organisational Projects	18,306	29,780	81,585	89,769	45,604	36,515	8,990	10,812	11,199	10,062	9,847
Gardens, beaches and green open spaces											
- to meet additional demand	0	27	1,727	1,699	8,227	699	741	3,035	786	810	34
- to improve level of service	3,036	408	706	956	724	365	157	182	770	372	2,759
- to replace existing assets	3,302	3,607	3,584	4,723	6,823	8,539	3,973	4,390	4,326	4,216	4,081
Total Gardens, beaches and green open spaces	6,338	4,043	6,017	7,378	15,774	9,603	4,872	7,606	5,882	5,398	6,874
Waste reduction and energy conservation											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	1,187	1,649	1,657	1,711	1,295	734	31	497	31	274
- to replace existing assets	6,764	3,837	9,253	11,319	7,763	5,693	5,960	6,203	11,448	13,168	7,079
Total Waste reduction and energy conservation	6,764	5,024	10,902	12,976	9,475	6,988	6,694	6,234	11,945	13,199	7,353
Water											
- to meet additional demand	0	23,175	15,145	810	1,251	1,166	1,277	7,515	10,212	9,666	3,221
- to improve level of service	19,649	3,320	4,158	11,269	5,753	5,791	5,802	8,598	6,929	6,816	7,186
- to replace existing assets	6,926	7,480	8,060	10,275	12,570	16,216	17,358	12,821	13,551	14,337	15,017
Total Water	26,574	33,975	27,363	22,354	19,574	23,173	24,437	28,932	30,691	30,819	25,424
Wastewater											
- to meet additional demand	0	12,934	6,765	3,292	3,339	5,778	20,575	13,731	16,674	40,984	48,722
- to improve level of service	2,501	350	1,498	1,258	0	0	0	0	0	0	0
- to replace existing assets	11,039	11,345	12,076	13,254	14,078	14,354	14,938	18,306	17,480	19,090	21,433
Total Wastewater	13,540	24,629	20,339	17,804	17,417	20,132	35,513	32,038	34,154	60,074	70,156
Stormwater											
- to meet additional demand	0	182	168	174	179	184	190	195	201	3,103	3,201
- to improve level of service	4,101	648	3,201	4,137	5,124	5,523	2,528	436	469	403	0
- to replace existing assets	3,701	4,298	4,421	4,452	4,829	4,967	5,174	5,700	5,997	6,303	6,627
Total Stormwater	7,802	5,128	7,790	8,762	10,131	10,674	7,892	6,331	6,667	9,801	9,828
Conservation attractions											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	2,199	1,716	0	0	0	0	0	0	0	0	0
- to replace existing assets	853	921	858	1,014	1,046	1,078	1,111	1,145	1,178	1,215	1,251
Total Conservation attractions	3,052	2,637	858	1,014	1,046	1,078	1,111	1,145	1,179	1,215	1,251
City promotions and business support											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	1,000	2,080	2,101	2,143	16,396	3,345	3,412	3,480	3,549	7,241
- to replace existing assets	12,309	2,832	7,175	2,161	2,614	2,027	2,508	2,493	2,582	2,566	2,750
Total City promotions and business support	12,309	3,832	9,255	4,262	4,757	18,423	5,853	5,905	6,062	6,116	9,990
Arts and cultural activities											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0

- to improve level of service	52,659	50,495	32,670	8,585	5,889	977	2	2	2	2	2
- to replace existing assets	0	20	0	0	0	0	0	0	0	0	0
Total Arts and cultural activities	52,669	50,515	32,670	8,585	5,889	977	2	2	2	2	2
Recreation promotion and support											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	259	5	1	1,380	3,510	3,387	6,192	0	148	152	155
- to replace existing assets	10,312	3,381	12,971	6,595	9,933	6,029	6,283	6,586	7,575	8,406	8,564
Total Recreation promotion and support	10,570	3,386	12,972	7,975	13,443	9,416	12,475	6,566	7,723	8,559	8,719
Community participation and support											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	1,220	2,075	0	0	0	0	0	0	0	0	0
- to replace existing assets	17,955	17,638	20,380	18,956	4,305	3,597	6,609	3,420	3,487	3,601	3,674
Total Community participation and support	19,175	19,746	20,380	18,956	4,305	3,597	6,609	3,420	3,487	3,601	3,674
Public health and safety											
- to meet additional demand	0	0	0	1,379	2,548	2,229	293	306	0	0	0
- to improve level of service	1,524	51	58	65	72	80	87	96	105	114	123
- to replace existing assets	1,785	2,738	2,985	3,594	1,691	2,237	2,169	2,197	2,255	2,326	2,387
Total Public health and safety	3,309	2,789	3,043	4,638	4,306	4,546	2,552	2,598	2,360	2,440	2,510
Urban development, heritage and public spaces development											
- to meet additional demand	453	7,046	235	66	1,048	2,111	1,462	0	180	0	173
- to improve level of service	2,872	3,621	3,273	4,961	2,654	2,856	2,774	3,008	2,893	3,139	3,015
- to replace existing assets	1,288	8,700	5,337	2,173	1,282	1,284	1,290	1,332	1,372	1,413	1,451
Total Urban development, heritage and public spaces development	4,612	19,367	8,845	7,200	4,996	6,261	5,526	4,339	4,445	4,552	4,634
Building and development control											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	37,881	33,857	28,992	4,459	0	0	0	0	0	0	0
- to replace existing assets	4,090	0	0	0	0	0	0	0	0	0	0
Total Building and development control	41,970	33,857	28,962	4,459	0	0	0	0	0	0	0
Transport											
- to meet additional demand	7,186	5,848	19,977	31,568	53,077	54,048	48,971	30,151	27,492	3,469	6,823
- to improve level of service	25,763	28,918	32,534	30,873	37,112	42,709	34,512	30,758	31,282	30,163	31,023
- to replace existing assets	37,327	30,277	34,686	30,960	33,985	34,022	33,297	37,435	38,785	40,215	41,692
Total Transport	70,276	64,132	92,617	93,351	124,173	130,774	116,780	98,395	97,559	73,828	79,522
Parking											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	123	181	190	197	206	216	225	235	242	249	256
- to replace existing assets	438	2,668	3,347	1,833	1,532	1,598	1,994	1,698	1,746	2,178	1,853
Total Parking	561	2,851	3,536	2,032	1,738	1,814	2,218	1,931	1,988	2,424	2,109
Total for whole of council	298,130	313,015	358,181	309,717	282,648	284,522	241,526	212,472	225,354	232,193	241,899

Tō mātou mahere ngahuru tau

Our 10-year Plan

- 2021-2031

Long-term Plan
Consultation Document

[Inside front cover]

Our journey to 2021

July 2018
Our last Long-term Plan

Our plans don't start from scratch every three years, each Long-term Plan builds on the previous one.

Below are some of the highlights of the past two and a half years since we adopted our previous Long-term Plan in 2018. For more information, refer to our Annual Reports.

- Strengthened and opened the Basin Reserve Museum Stand
- Began construction of the Convention Centre
- Began strengthening of St James Theatre
- Commenced construction of Omāroro reservoir
- Mayor's Taskforce on Water
- Built and opened Waitohi Johnsonville Community Hub
- Opened new Te Māra social housing apartments
- Opened a network of pop-up libraries in response to seismic issues with the Central Library
- Opened the temporary Royal New Zealand Ballet building
- New Matariki festival, Ahi Ka, started
- Passed Te Atakura – First to Zero Carbon policy
- Declared a Climate and Ecological emergency
- North Kumutoto public space upgrade

February 2021

The world has changed in the past three years, but we have still achieved a lot of what we planned. Now we need to continue working to make the city stronger and fit for the future.

Note: The 2021-31 Long-term Plan comes into effect on 1 July 2021. For information on the 2020/21 year, please see the Annual Plan: https://wellington.govt.nz/your-council/plans-policies-and-bylaws/plans-and-reports/annual-plan

We need to hear your voice

A Long-term Plan sets out Council's priorities for the next 10 years, including what we will do, how much it will cost and how we will fund it.

What is this document?

This is our Consultation Document. It highlights the key decisions for our Long-term Plan. It focuses on the key issues the city faces, and the practicable options and cost implications that we believe are available to resolve those issues.

We want your feedback

Our plans and budgets are draft. We will be finalising them in June 2021. Before then, we need to hear from you so we can ensure the future we plan for is one we all want.

How to have your say

There are three ways to let us know what you think:

- On our website – https://wgtn.cc/ltp
- By email – email your submission using the form at the back of this document or online to: ltp@wcc.govt.nz
- Hard copy form – this can be printed from our website or picked up from Arapaki Service Centre or any of our libraries.
    - Completed forms can be returned by post or simply drop it into one of the submission boxes at our libraries or service centre.

The consultation will run from 6 April to 10 May.

What happens next?

We appreciate the feedback we get, and we do take time to consider it.

The Mayor and Councillors are given copies of all submissions. We also prepare reports on the submissions, so Councillors know how many there were and what the main themes and comments are.

If you wish to speak to your submission, please indicate that preference clearly when you make your submission. Our submission form includes a tick box question on oral submissions.

The Mayor and Councillors are scheduled to adopt the final plan on Wednesday 30 June 2021.

Is there more information?

This document outlines the key issues that we would like your views on. For the complete set of supporting information that underpins the Long-term Plan, including changes to fees and charges, the wider capital programme, policies relevant to the Long-term Plan, financial statements and the Financial and Infrastructure Strategy, please visit https://wgtn.cc/ltp

Contents

Mayor's welcome - Investing in more for a city fit for the future

This draft Long-term Plan is ambitious. It centres on the much-needed investment in our infrastructure that our city has been crying out for and on solving resilience issues. It is investment we need to underpin a modern, dynamic, creative, sustainable city.

It is set in a uniquely challenging environment. We know we need to invest more in core three waters and waste infrastructure, there are major civic buildings needing strengthening or replacement because of seismic risk and damage, our transport system needs transformative investment, our social housing portfolio needs change to become economically viable, we have to plan for the housing and supporting infrastructure needed by a growing population, and we are working hard, particularly with our business and arts and culture communities, to recover from the impacts of COVID-19.

Collectively the proposed investment programme in this plan is the largest we have ever made in our city.

Last year my Mayoral Taskforce confirmed there had been underinvestment in our city's drinking water, wastewater, and stormwater networks since the first pipes were laid in the 19th century. This Long-term Plan provides the required increase in funding for renewals of our three waters infrastructure. We have also started work on our biggest ever reservoir, Omāroro, to provide a resilient water supply for the central city and low-lying suburbs.

A major decision in this plan also outlines the best option to treat sewage sludge. Dealing with sludge is essential to allowing us collectively to reduce waste to landfill and significantly reduce the scale of the pending landfill extension.

It includes the funding to complete major civic projects that are currently well underway. The St James Theatre will reopen this coming summer, and the Town Hall, Tākina – Wellington Convention and Exhibition Centre, and Omāroro Reservoir will be completed in 2023.

Alongside this is investment in the sustainability and efficiency of our transport system, and the strengthening and modernising of our Central Library. We will engage separately on the exciting new design and fit-out of the library.

We are also working on completing a Spatial Plan to better provide capacity for our growing population, and will soon consult on new Economic, Arts and Culture, and Community Strategies and a Framework to guide the redevelopment of Te Ngākau Civic Square.

The extra investment in this plan will increase Council debt levels. We are proposing to lift our debt limit from the current 175 percent of debt to revenue to 225 percent. We consider this a prudent level because we must maintain borrowing headroom for known but currently unbudgeted investment needs, and for events that are unexpected, such as an earthquake or pandemic. Examples and more information on this are set out in this document.

Of course, this investment costs money, and I am very conscious that these proposed costs will be hard for some people and businesses.

This document is draft. For each of the key decisions there are options to choose from, including our preferred option. The proposed plan seeks to balance the need to invest in essential infrastructure with maintaining a prudent debt limit and trying to maintain rating affordability. This is a bold ambitious plan. I believe the investment will lay the foundations for a dynamic, attractive city fit for the future. I look forward to hearing from you during the consultation process.

Our strategic direction

Community Outcomes Framework

To help prioritise our Long-term Plan investment we developed a Community Outcomes Framework to put community wellbeing at the centre of our planning. The draft was presented for feedback during our pre-engagement in November 2020 to February 2021.

Through this early engagement with business groups, community groups, students, and the public, we heard that water, transport, and housing are particularly important and need to be a priority. The full report on our pre-engagement is available on our website.

This feedback has guided the refinement of the draft Community Outcomes Framework, and has informed Council decisions on the Long-term Plan strategic direction, budget, and content of this consultation document. This framework is also available on our website.

Community Outcomes

Environmental	Social	Cultural	Economic
A sustainable, climate friendly eco capital	**A people friendly, compact, safe, and accessible capital city**	**An innovative, inclusive, and creative city**	**A dynamic and sustainable economy**
A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations	An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe, and healthy	Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve, and enjoy arts, culture, and heritage.	The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while working towards an environmentally sustainable future.

Priority Objectives

The framework presents the long-term outlook for the city, and we have six priority objectives to focus on in the next three years. These are based on community feedback.

Priority Objectives for next three years
A functioning, resilient and reliable three waters infrastructure - with improving harbour and waterway quality and, reducing water usage and waste
Wellington has affordable, resilient, and safe housing – within an inclusive, accessible, connected, and compact city
The city's core transport infrastructure is a safe, resilient, reliable network - that supports active and public transport choices, and an efficient, productive and an environmentally sustainable economy
The city has resilient and fit-for-purpose community, creative and cultural spaces – including libraries, marae, museums, and community halls, where people connect, develop, and express their arts, culture, and heritage
An accelerating zero-carbon and waste-free transition - with communities and the city economy adapting to climate change, development of low carbon infrastructure and buildings, and increased waste minimisation.

Priority Objectives for next three years
Strong partnerships with mana whenua – upholding Te Tiriti o Waitangi, weaving Te Reo Māori and Te Ao Māori into the social, environmental, and economic development of our city and, restore the city's connection with Papatūānuku (nature).

Our proposed plan - building strong foundations

Wellington was a different place when we last did a Long-term Plan in 2018. Many of the impacts of the Kaikoura earthquake were still being worked through, we didn't know about the issues with the Central Library, the symptoms of our aging water network had not reared their head and COVID-19 was unheard of. Collectively these have dramatically increased our financial challenges.

We believe we need to plan for a strong city – one that can cope with anything. This means investing now to ensure the city continues to thrive and is fit for the future.

This includes the big-ticket items we are already investing in, such as Omāroro Reservoir, Town Hall, and Let's Get Wellington Moving, critical investment increases in our three waters and transport infrastructure, strengthening our Central Library, and future proofing for climate change.

The following section outlines the key challenges facing the city, and the community views we have received on these areas through early engagement on the Long-term Plan.

Key challenges

Infrastructure

The Council's primary role is the provision of core infrastructure – the foundations of a city that allows communities, the environment, and businesses to thrive.

However, much of our infrastructure, particularly our three waters and transport networks, requires additional investment to make it more reliable. It will also need further investment to meet the needs of our growing city.

What you said

During our pre-engagement survey we asked you about our infrastructure.

- Having a reliable three waters network was consistently one of the most important priorities in the Environment Wellbeing area
  "Critical infrastructure must come first before all the nice to dos. The aging water infrastructure must be renewed/replaced at a sustainable level."

- Having a reliable and active transport network was also consistently a priority in the Economic Wellbeing area
  "An efficient and economic transport system encourages economic growth and improves general quality of life for all residents and visitors."

Housing and Urban Development

Our city is growing, and we need to plan for it. Housing affordability is also being stretched as the city grows. Council needs to contribute through a range of housing interventions including through our enabling role through Spatial and District Planning work but also through provision of sustainable and quality social housing and ensuring the availability of infrastructure in place for a growing city.

What you said

During our pre-engagement survey we asked you about housing and urban development.

- Affordable and resilient housing was consistently one of the most important objective identified by participants in the future of the city.
  "Affordability. Probably the most discussed topic these days, along with climate change. If you want to keep people in the city, then we have to provide affordable, safe, resilient places to live."

- A sustainable urban environment, with eco-friendly building practices was also often chosen as a priority for the city.
  "As we continue to grow, it becomes apparent that our housing stock is woefully inadequate and unfit for purpose. We need to begin providing new housing that is sustainable, eco-friendly, good for the environment and good for our city."

Resilience

The Council has been proactively developing the city's resilience for decades. We are currently strengthening our Town Hall and St James Theatre and have already completed or supported other strengthening projects. The impact that earthquakes and climate change can have on Wellington is not a new phenomenon. However, with every shake or storm we learn more about our infrastructure, our land, our coast, and their vulnerabilities.

As a result of the 2016 Kaikoura earthquake and others in the past decade, we need to do significant earthquake strengthening work across the city, including on our infrastructure and many venues. There are also significant additional costs such as funding the pop-up libraries opened due to the closure of the Central Library and the increasing costs of our insurance.

What you said

During our pre-engagement survey we asked you about resilience in our city.

- Having resilient communities, buildings, transport and environment were all frequently listed as very important by participants in our pre-engagement.
  "A city that is resilient is also a city that is safe. It is incredibly important that action be taken on earthquake prone buildings and aging infrastructure."

Environment

We have a key challenge in responding to climate change in line with the Council's declaration of a climate emergency and adoption of its Te Atakura Strategy. In addition, the city has ambitions around the natural environment and waste minimisation that requires Council investment

What you said

During our pre-engagement survey we asked you about the Environment.

- All of the objectives under Environment wellbeing were frequently rated Very Important or Important by respondents. Access to accessible and maintained green open space in the city and reducing the city's emissions and creating energy efficient facilities in particular were often highlighted by respondents
  "Climate change is the biggest issue facing us, so I want us to prioritise the environment and reduce carbon emissions."

What this plan will cost

Alongside our four big challenges outlined in the previous section, we must be realistic about what we are able to pay for and when.

Pressures on our budget means the Council has needed to make some extremely hard decisions about what is in and out of the budget. This is to ensure we do not spend more than we can afford, so that future generations are not adversely impacted and that we have the ability to respond to future events, opportunities and pressures.

This section explains our budget in more detail and outlines the impact on rates and debt. More detail is provided in our Finance and Infrastructure Strategy and Significant Forecasting Assumptions on our website: https://wgtn.cc/ltp

Why is there pressure on the budget?

This Long-term Plan has significant operating cost pressures that the city must deal with. These include some that are common across the country, but also cost pressures that are unique to Wellington. They mainly come from community demand and meeting government regulations. The impact of these cost pressures contributes to the proposed increases in rates. We are also proposing to increase some of our fees and user charges (non-rates revenue) to minimise the impact of the increasing costs to rates.

New Assets

The proposed plan includes significant investment in new assets, which leads to increased costs. Depreciation is the amount collected through rates each year to cover the eventual cost of replacing or renewing a share of our assets. Depreciation is forecasted to double in ten years from $147m in 2021/22 to $297m in 2030/31.

New assets are initially funded by debt which means there is also an increase in our interest costs. Interest is forecasted to increase 152 percent in the ten years of this plan from $23m in 2021/22 to $35m in 2030/31.

On top of this, investment in new assets leads to other additional costs for things like maintenance or resources to operate the assets.

Existing Assets

As well as new assets, we are also proposing significant investment in our existing assets, including renewing ones that have come to an end of their useful life. The Long-term Plan includes the strengthening of assets such as the Town Hall and the Central Library and includes improving our three waters infrastructure. This also increases costs for depreciation and interest.

Debt Repayments

In previous years, the Council has borrowed to fund some operating costs such as the lost revenue due to COVID-19, and the temporary central city libraries.

In the 2020/21 Annual Plan, we forecasted lost revenue of approximately $38m (including the Wellington International Airport Limited dividend) and to lessen the burden on the community we funded this through debt rather than rates. The cost of the temporary libraries was also funded through debt as this was a late change to the plan. These debt-funded operating costs now need to be recouped through rates over time.

Some operating costs are also funded by debt where the benefit of these costs is spread over several years, for example weathertight homes settlement payments.

COVID-19 has had a material impact on the finances of Wellington International Airport Limited. As a 34 percent shareholder this means we won't receive our usual dividend that forms part of our additional non-rates revenue. This dividend normally offsets 4 percent of rates, this loss has been funded through debt for 2021/22 to 2023/24.

So how does Council budgeting work?

The Council's budget is how we plan for the money that comes in and money that goes out. By law, the Council's budget should be 'balanced' where income matches expenditure – so forecast to break even (not a profit or loss).

Our operating budget is the equivalent of what households spend on day-to-day expenses, such as groceries, power, loan payments and rent.

Council's operating expenses covers things like paying back our debt, collecting rubbish or recycling, maintaining our roads and reserves, and operating our pools, libraries, and recreation centres. Just like household budgets, our bills go up with inflation increases, changes in purchasing choices (levels of service) or other circumstances.

Our capital budget is what we spend on our assets – the equivalent to households buying a car, replacing furniture, or doing renovations.

For Council, these capital expenses are for replacement and new assets, like new water pipes or upgrading reservoirs, strengthening venues, upgrading libraries, pools, or community centres, and building new community facilities for when the city grows.

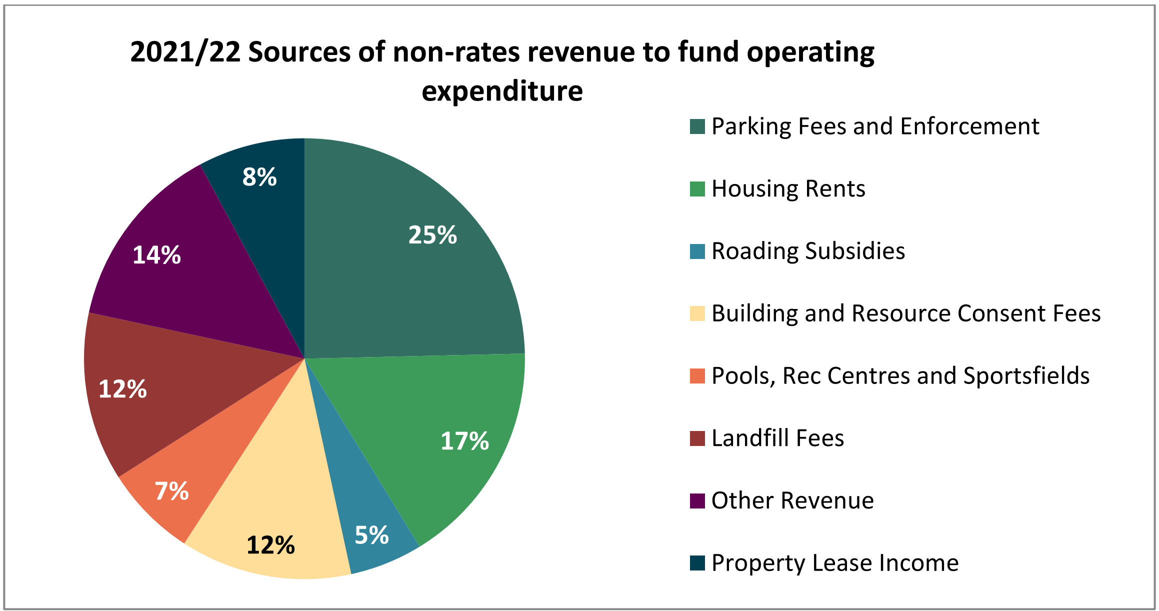
Where does the money come from?

The money for operating expenses comes mainly from rates, fees, and charges from those using the services, revenue from investment income e.g. ground lease income and any Wellington International Airport dividend.

Debt funds the majority of our capital projects – our development projects and renewing and upgrading our assets and infrastructure. We borrow for these expenses as they are often quite large, and this means we can spread the cost of paying for the projects over time and make sure generations that benefit from the asset, also pay their share of the costs. This happens by the borrowings being repaid over time through funding depreciation.

Waka Kotahi NZ Transport Agency also provides funding for parts the transport network, such as cycleways.

For some projects, for example a new housing development, the Council will provide roading or water pipes as a contribution to the development. We recover some of these costs by requiring the developer to reimburse the Council. These are development contributions.



The graphic illustrates the non-rates revenue to fund operating expenditure. The biggest area of non-rates revenue is Parking fees and enforcement at 25 percent of the total non-rates revenue of $180 million. Housing rents, Other revenue, Landfill fees, and Building and Resource consent fees follow at 17%, 14%, 12% and 12% respectively. Property lease income, Pools, rec centres and sportsfields and Roading subsidies follow each with under 10 percent of total non-rates revenue.

What is the plan for rates?

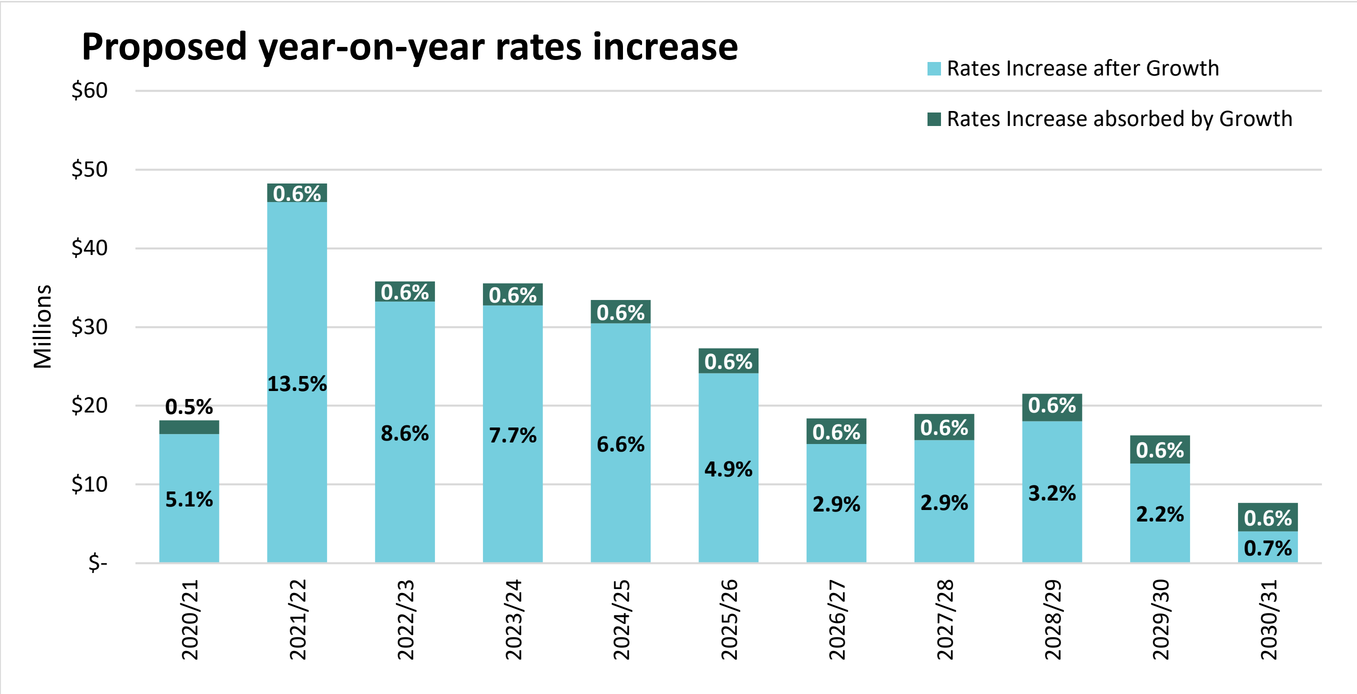
Our draft budget, which includes the preferred options of this plan, has an average rates increase for the average ratepayer of 5.3 percent after growth across the 10 years of the plan. We also propose setting a rates limit across the first 3 years of the plan of $465m, and across years four to ten at $630m.

The average rates increase assumes average growth in the ratepayer base of 0.6 percent per year across the 10 years of the plan.

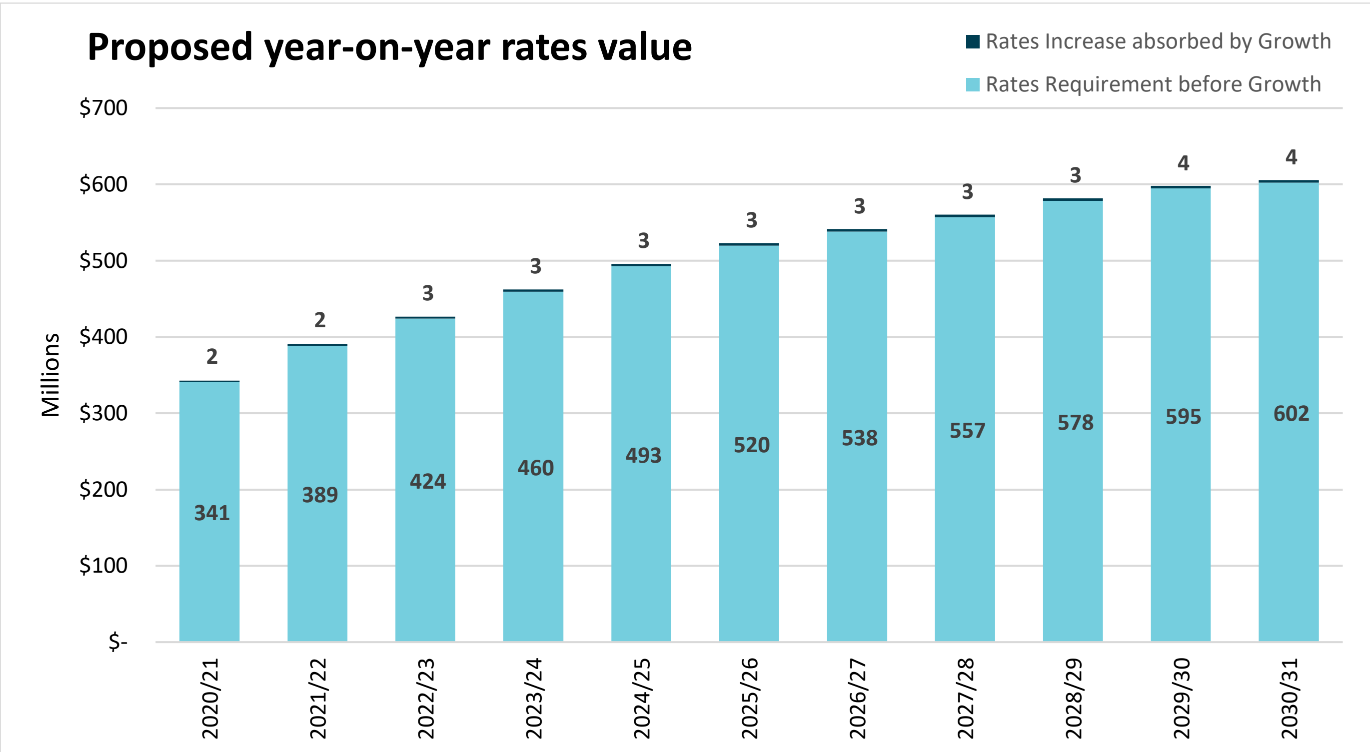
The first year of the plan has a rates increase of 13.5 percent (after growth) and there is an average of 9.9 percent (after growth) over the first three years. This is higher than previous plans because of the cost pressures described at the beginning of this section, including earthquake strengthening, a growing and aging asset base, and COVID-19 impacts. Therefore we now require a step up in the level of rates we charge.

Last year, our costs increased, and revenues decreased, but we recognised that many households and businesses were in uncertain times because of COVID-19. Council decided to keep rates low for 2020/21 as an economic and affordability response to the pandemic and debt funded the difference between our costs and the reduced revenue coming in.

We highlighted at the time that this would mean rates needed to catch up in 2021 so we can begin to pay back that debt and move towards balancing our budgets.



The graphic illustrates the proposed increase in rates requirement year-on-year in percentage terms, including the increase from the 2020/21 Annual Plan.



The graphic illustrates the proposed total year-on-year rates requirement in dollar terms, including the rates requirement from the 2020/21 Annual Plan.

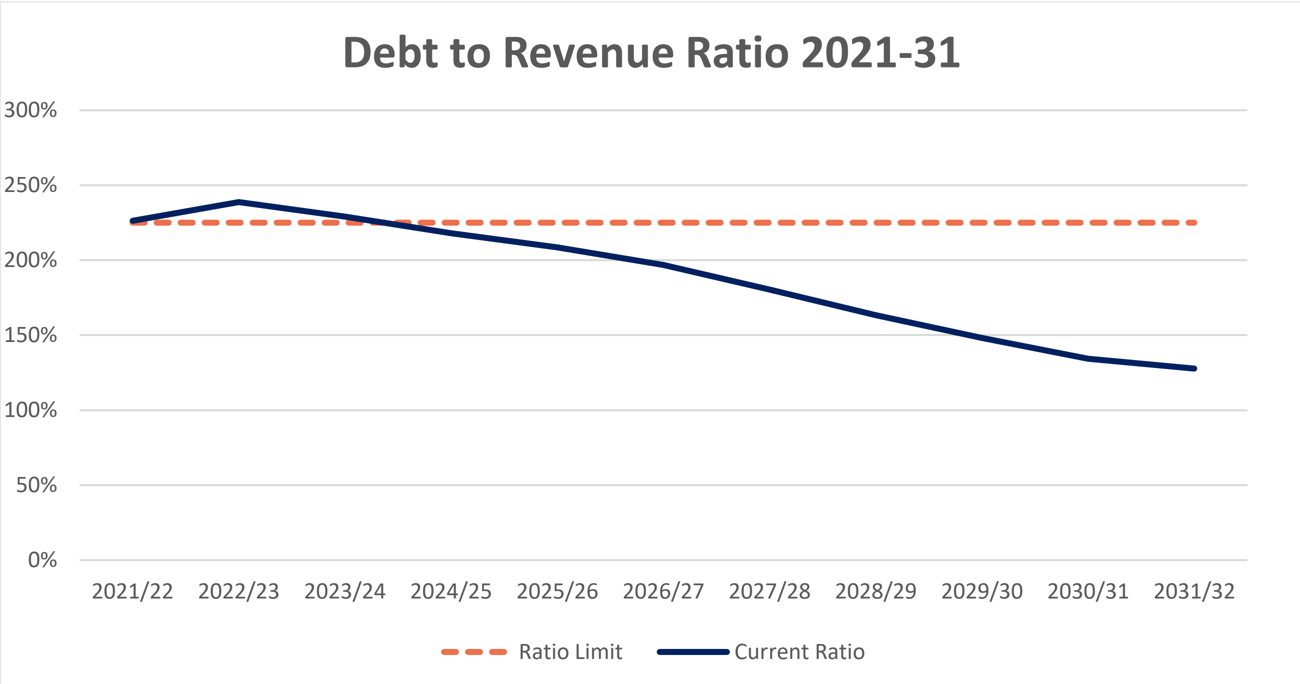
What is the plan for borrowing?

Our proposed plan and budget represent our highest ever level of capital investment in Wellington. It addresses the need for increased investment in our three waters infrastructure and transport network and seismic strengthening of key buildings, along with making progress against all our other priority community objectives.

In setting this plan there are significant choices we have made to ensure that Council finances remain within sensible financial limits and are affordable for Wellingtonians. These represent many of the preferred options we have for the big decisions listed from pg 15 of this document.

Our policy is to fund new capital expenditure through borrowings, but as we have constraints on how much we can borrow, we are assuming alternative funding sources for things like sludge minimisation and City Housing.

Our debt levels for this plan, including the value of uninsured assets, range from 134 percent to 239 percent of our annual income. Our proposed limit is 225 percent however Councillors made the decision to allow a breach of limit in year 1-3 to allow the Library to built over years 1-5. Our starting borrowing position of $787m equates to $10,635 per household in Wellington.



It is important we have sensible limits on our borrowing to ensure that the impact on affordability of rates is maintained and leaves enough ‘headroom’ to ensure we can repay our debt, and respond to future events, opportunities and pressures.

Why we need headroom for the future

As we’ve said, this draft Long-term Plan budget represents a significant lift in investment in the city, with a $2.7b capital investment programme across the 10 years, $1.1b more than our previous plan in 2018.

This will result in Council taking on more debt and raises our debt-to-income ratio limit from 175 percent to 225 percent, which is a significant increase. This means we can borrow $2.25 for every $1 of income.

The Local Government Funding Agency (LGFA), through which we borrow most of our money, has a covenant for Councils that sets a hard limit where no lending will be possible above a 285 percent debt:income ratio (from 2025). To facilitate further spending on planned future programmes that we do not know the cost of yet, we need to leave ourselves room between our debt limit and the LGFA covenant – this is called 'headroom' above the limit.

While some Councils have higher limits that are closer to the covenant, an increase beyond 225 percent is not recommended for Wellington because we need capacity to deal with known and unknown cost pressures in the future.

The headroom is required to cover **unknown** costs from unexpected future events. For example, another COVID-19 lockdown, another earthquake, or any other event or issue that future generations may have to grapple with, especially ones that impact our revenue streams.

We also need to leave room for future costs risks that are **known** – insurance, water reform, interest rate changes, the price of carbon, and the need to adapt to climate change.

Other known risks are projects for which alternative funding sources have been identified, but not confirmed. Uncertainty of these funding sources means there remains a risk to Council's financial position and therefore it makes sense to leave some headroom should alternative funding models fail to be secured. Without headroom they would not be able to be progressed.

This includes projects like:

- ***Sewage sludge*** – the proposed plan assumes the ability to identify alternative funding models necessary for $147m to $208m for building a new sewage sludge plant in the first ten years of the plan. Our preferred option is that Council will use the new Infrastructure Funding and Financing Legislation to finance the investment. This tool, developed by Central Government, allows investment in the plant to be made through a special purpose vehicle (SPV) where the debt sits, and the SPV collects an annual levy from ratepayers to service the asset and loan. (See Decision 7, pg 30, for more)

- ***City Housing*** – the proposed plan assumes the ability to identify alternative funding models for $402m of necessary investment in City Housing, for example through government financial support and/or establishment of a Community Housing Provider. (See pg 35 for more)

- ***Let's Get Wellington Moving*** – the full costs of LGWM have also not been included in this draft budget. We have $270m included for early projects, but council's contribution could be more than $1.4b. This will require additional funding and financing mechanisms to be identified for this to progress alongside the planned investment in this draft budget. (See pg 33 for more)

- ***Growth –*** The infrastructure requirements of our review of our Spatial Plan and District Plan have also not been fully accommodated into the proposed capital growth budgets. In this plan we have only accommodated for growth in the central city. Once we have a clearer picture of the other parts of the city where growth will happen, funding allocations can then be made. This is expected to be a key part of the 2024 Long-term Plan. For more information on the Spatial Plan and District Plan review, visit https://planningforgrowth.wellington.govt.nz/

Insurance risk coverage
Since the last Long-term Plan, the insurance market has become more challenging for Wellington. The increasing cost of insurance cover has led us to make decisions to not insure certain assets. In addition, we have been unable to access insurance for the maximum probable loss. Therefore, we rely on our ability to borrow money to cover those uninsured assets in case of unexpected, major shocks. The maximum headroom we need to maintain to mitigate against our lack of insurance is $405m, an increase since our last plan in 2018.

For more information on our significant forecasting assumptions please see the website https://wgtn.cc/ltp.

The big decisions for this plan

This year we are asking for your feedback on seven big decisions. Each decision relates to one of our key issue areas and has options in how we might proceed. Council has stated its preferred option – do you agree? Do you want another option? Let us know.

Decision 1 – Investment in three waters infrastructure

Background

The Council's three waters network means our network of drinking water, wastewater, and stormwater infrastructure, including:

- 2,727km of pipes
- 67 reservoirs
- 105 pump stations
- 2 treatment plant

It is valued at approximately $3.9 billion replacement cost. The Council owns the infrastructure, but the regionally owned Council-controlled organisation Wellington Water Limited is responsible for the provision, management and quality of clean, safe drinking water and efficient wastewater and storm water services.

However, the condition of our network and what we need to invest in has for many years been largely out of sight, out of mind.

In December 2019 and into early 2020 several high-profile pipe failures, particularly in the wastewater network, led to concerns about the condition of the infrastructure. The Mayoral Taskforce: Three Waters was established in February 2020 to investigate the condition, funding, and management of the network, and to develop recommendations for its future.

The Taskforce, and investigations into the network by Wellington Water, found the following information about our three waters network:

Drinking Water

Our drinking water pipes are old and we lose up to 30 percent of our water through leaks. However, the Taskforce also found that we cannot be exactly sure of our water loss levels as we do not measure it as a city, instead rely on high level regional information. Of these pipes, 30 percent have already passed their expected useful economic life, and 50 to 60 percent of pipes require replacement in the next 30 years. As these assets age they are becoming increasingly prone to failure.

Wastewater

All of the streams in Wellington City are polluted with wastewater, and none of the city's water bodies meet the environmental limits anticipated under the National Policy

Statement for Freshwater Management 2020. This is mainly due to 20 percent of our wastewater pipes being beyond their expected life, and the recent failures in the Mt Albert tunnel, Victoria St and Willis St laid bare the state of our pipes.

Stormwater

Traditionally stormwater has been associated with drainage. While this is still true, there is now a further dimension – stormwater needs to be of a better quality – this has become a legal requirement. Investment in sewage pipes has also fallen off, so the network is ageing and deteriorating, leading to increases in pipe breakages and leakage.

What does this mean for the network?

All of the challenges with our network means that as it ages, and with the issues possibly exacerbated by earthquake damage, the maintenance, and renewals we need to do are increasingly reactive rather than planned.

The Taskforce made 48 recommendations to Council, including: to make improvements in asset and financial management; that better information was required about the condition of pipes and pumps; to strengthen planning rules to better manage stormwater quality and quantity; and strongly recommended accelerating the renewals of old drinking water and wastewater pipes, valves and pumps. Other areas of focus included better resilience, carbon management, governance, and funding.

Rapid population growth also means the network is nearing capacity in many areas, and there will need to be well targeted, but extensive investment in new infrastructure to align with future population growth.

In general, the Council concurred with the findings of the Taskforce, and is aware that the scale of the financial challenge is very significant. We have already increased funding through the 2020/21 Annual Plan to identify and address some immediate problems. This Long-term Plan represents the first opportunity to determine how we will invest in our three waters networks in an effort to bring our infrastructure up-to-date.

Our preferred option

There are three different levels of investment in the three waters network to consider. Our preferred level of investment is explained in Option 2 which focuses on improving the condition and reliability of the network in an affordable and sustainable way.

Problems with pipes have been a long time in the making, and we cannot fix everything at once. Option 2 represents a $2.4b investment in our three waters network and is the middle-ground option that we are confident of being able to deliver in this plan. We will be able to review the level of investment in our next Long-term Plan review in 2024, when we will have more information on the network.

Across the Wellington region, Councils are increasing their investment in their three waters networks meaning the ability of the industry to deliver all the work planned is a matter of concern. To meet the challenge, Wellington Water are planning to increase their capacity and capability, and improve productivity by using innovation and the increased scale to do things smarter. This option includes funding for wastewater laterals (see Decision 2) but does not include the cost of sludge minimisation that is to be funded off balance sheet (see Decision 7).

Option 1	Option 2 (preferred option)	Option 3

Maintain current funding level	Enhanced investment	Accelerated investment
This would see a continuation of the existing level of funding for three waters renewals. This includes keeping the $3.2m operational expenditure increase agreed as part of the 2020/21 budget, which is a 2.1% opex increase and 14.8% capex increase over the 2018 Long-term Plan. We think this option means Wellington's three waters network would continue to decline, and we do not believe this is what most Wellingtonians want. The impact of this option on our network is outlined below: Drinking Water: Under this option, we will complete $144m of renewals and $73m of upgrades on our network. Investment will continue at about the current pace, but this will not keep up with our challenges. We anticipate an increasing number of leaks and bursts, and that the percentage of water lost will continue to rise. We will not get ahead of our deferred replacement of vulnerable asbestos cement pipes. This in turn will mean a requirement to construct more water storage somewhere in the region, at a cost in the hundreds of millions. Wastewater: In this area we will complete $121m of renewals and $55m of upgrade work on our network. We will replace old pipes with pipes constructed from new, more resilient materials. However if this option is progressed, at this level of funding we can expect to see more pipe failures and wastewater continue to escape into streams and the marine environment. We will not be able to comply with the new legal requirements on environmental water quality, and we will need to accept the risk of disruption and reputational damage from	This option entails a substantial increase in the level of three waters investment, including a 23.2% operational expenditure and 41.1% capital expenditure increase above what was in the 2018 Long-term Plan. We do not think this option will fix all of our network problems, but we think this will reverse some of the trends and set us on a more favourable path towards higher performance and quality in our network. We think it is affordable and provides a pragmatic first step towards improving our network. The impact of this option on our network is outlined below: Drinking water: This option includes: investigations into our infrastructure so we can better understand what needs replacing; $127m for renewal and $62m for upgrade work meaning fewer leaks; and funding to complete Omāroro reservoir. Wastewater: This option includes the repairs of pipes identified through the investigations into the network, which reduces the risks of leaks. Alongside this, we propose to renew pipes, mainly in Taranaki, Wakefield, Victoria and Dixon streets and Kent Terrace, install a new pump station in Taranaki St and increase wastewater network capacity. Work is also planned in Stebbings Valley and Karori. In total there will be $154m spent on renewals and $3.3m on upgrades. We anticipate that under this option the quality of some of our streams and the marine environment may not worsen, but the problem is decades in the making and it will take some time to reverse. Stormwater: Based on asset inspections already completed, we propose to focus on the $52.8m	This option would mean an increase in investment over Option 2, and is a 32.6% operational expenditure and 222% capital expenditure increase over the 2018 Long-term Plan. It aims to accelerate all work programmes across the network. However, it is not our preferred option because we do not yet have sufficient information to properly cost and direct our investment, and our growth plan is not yet at the stage where we can use it for infrastructure planning. We think more work is required to gather this data before such a sizeable investment is made. There is substantial uncertainty regarding the ability to deliver such a large programme of work. The impact of this option on our network is outlined below: Drinking Water: This option also includes investigations into our network. This enables us to minimise water leaks through an extensive $195m pipe renewals programme. Meaning an eventual reduction in maintenance, and leaks and burst pipes would be rare. We would have a detailed understanding of the carbon footprint of our network and should be able to defer construction of a new storage lake. We would also spend $26m on network upgrades. Wastewater: After investigations and a $391m renewals programme, we would be able to invest to reduce sewage pollution, starting with catchments around the central city, Karori and Owhiro Bay, then widening into other catchments. We think the waterways and coastal environment would be close to where we would like them to be by the end of the work programme. Pipe breaks would be rare and if there was a discharge it would be

significant wastewater failures. Stormwater: Under Option 1 we will complete $54m of renewals and $67m of upgrades on the network. This will see some improvements in parts of the city, but overall, we can expect to see an increase in instances of flooding as a changing climate delivers more intense rainfall, and as the water tables continue to rise. We can also expect to see a continuation of the decline in stormwater quality. We also expect more failures such as the 'sinkhole' that occurred in Jervois Quay in February 2021. Growth: Option 1 also does not accommodate growth, and we would not be able to develop parts of the city because there is not enough capacity in our drinking water or wastewater networks.	renewals programme and $22.5m upgrades programme. Included in this is funding to reduce flooding risks in Tawa. We will address stormwater quality issues through our review of the District Plan. Growth: We have identified $255m over 10 years for growth investment across all three waters, and will target these upgrades in the central city, and Stebbings Valley. Any additional funding for growth in other areas would be added in time for 2024 Long-term Plan, following Spatial Plan development.	swiftly managed. This also includes a $38m upgrades programme Stormwater: Improved pipes and planning regulations would mean better management of stormwater. Where practical, this would include natural green and open spaces that use vegetation, soils, and other elements and practices to help deal with environmental challenges such as stormwater runoff and climate adaptation. This would supplement and, where possible, replace portions of the $96m hard infrastructure renewals and $24m upgrades programme. Growth: Once we fully understand where the city is to grow, and have analysed the network, we would develop a roughly $776m investment plan to enable this growth investment to occur over 10 years – noting that more funding for growth will be needed to realise our 30 year growth projections. Of this $776m, the majority is for investment in our wastewater network, which is $432m of growth funding over this plan.
Opex Cost: $1.4m over 10 years) Rates impact: No impact	Opex Cost: $1.7b (over 10 years) Drinking water: $687m, Wastewater $639m, Stormwater $359m Rates impact: 2.51% 3 year average increase	Opex Cost: $1.8b (over 10 years) Rates impact: 5.85% 3 year average increase
Capex cost and debt impact: $552m over 10 years Drinking water: $248m, Wastewater $180m, Stormwater $124m	Capex cost and debt impact: $678m over 10 years Drinking water: $264m, Wastewater $330m, Stormwater $83m	Capex cost and debt impact: $1.5b over 10 years Drinking water: $397m, Wastewater $862m, Stormwater $288m

Decision 2 – Wastewater laterals

A second decision relating to our three waters network is the ownership of the wastewater laterals.

Background

Currently residents are responsible for the maintenance of the pipes connecting their property to the wastewater (sewerage) main underneath the road corridor. These are called wastewater laterals.

This is problematic as often residents are not aware of their responsibilities and are unable or unwilling to pay for repairs when their lateral fails. Often the failure of laterals under the road corridor are also outside of the control of property owners, for example being the result of damage caused by street tree roots. Most Councils in New Zealand are responsible for the maintenance of laterals in public land.

Our preferred option

Our preferred option is Option 2. In it we propose that the Council takes ownership of the laterals between the property boundary and the sewerage main underneath the road corridor.

Option 1	Option 2 (preferred option)
No change Retain status quo policy settings where households are responsible for renewal and maintenance of the wastewater laterals in the road corridor to the main. This is inconsistent with other Councils in New Zealand and can be problematic, as property owners are often not aware they are responsible, the issues are out of their control or they are not able to undertake the repairs.	Take ownership Change the Council's policy to be consistent in the region and New Zealand. This would result in the Council taking responsibility for the section of the wastewater lateral beneath the legal road to the property boundary. This will create efficiencies in maintenance by allowing us to plan their renewal alongside wastewater mains.
Opex Cost: No change Rates impact: None	Opex Cost: $5m (over 10 years) Rates impact: 0.16% 3 year average increase
Capex cost and debt impact: No change	Capex cost and debt impact: $27m (over 10 years)

Decision 3 – Cycleways

Background

Cycleways is an area where we have ambition to seriously lift our game – we're proposing to accelerate the development of a network of safe bike paths, lanes and connections so it is possible for more Wellingtonians of all ages and abilities to make some trips by bike, or choose cycling as their main mode of transport..

Our full network plan can be viewed at transportprojects.org.nz.If all of the routes were progressed, it would be a $226m investment across the 10 years of this plan.

Doing this programme will give people more choice in how they get around, help to reduce the number of cars on our roads, reduce the levels of congestion for those who cannot use active and public transport, and also make progress on our Te Atakura: First to Zero goals. This is a big part of our environment key issue as transport is one of the biggest contributors to Wellington's carbon emissions.

Investing in cycleways helps to create more pleasant places for people and is a fairer way of sharing the public space on and around roads across transport modes. This is because the projects often have wider benefits including new crossings and other pedestrian improvements, better lighting, seats, plants, landscaping, and in coastal locations, more resilient infrastructure such as sea walls to adapt for climate change.

The proposed investment outlined in this draft plan is in addition to our initial $270m investment in the Let's Get Wellington Moving (LGWM) programme which will also make the central city safer and easier to get around on foot and by bike. LGWM is also planning to deliver public transport, walking and biking improvements on key routes. This is likely to include a safer biking route between Berhampore and the central city.

Our preferred option

Our preferred option, Option 3, is a $45m or 60 percent increase in funding for cycleways than what was planned in the previous Long-Term Plan. It will progress $120m of the full $226m programme.

We believe Option 3 balances the need for increased investment in this area with what is affordable for the Council and what we will be able to deliver. It allows time in the programme for robust community engagement and to build capacity in the Council and the sector for the full programme to be eventually delivered.

Option 1	Option 2
Finish started projects This option includes finishing the eastern connections route, including the connection into Miramar and the Evans Bay coastal route in the first three years of the plan. It also includes $250,000 each year for minor improvements and tactical urbanism (see note) projects to encourage people to shift to cycling as a main form of transport. This is a significant reduction in funding for the	Medium investment This is a medium level of investment but is still a reduced programme compared to Option 3 and 4. In this option, we would complete what we have started as per Option 1, plus there is $500,000 allocated each year for minor improvements and tactical urbanism (see note) projects to encourage people to shift to cycling as a main form of transport. Projects included in this option are:

<table>
<tr><td>cycleways programme.
Projects included in this option are:
Finish the Evans Bay coastal route from Carlton Gore Road to Cobham Drive (Years 1-3)
Finish the approved bike and walking improvements through the Miramar cutting – Shelley Bay Road to Tauhina Street (Year 1)
Funding for the Island Bay Parade upgrade is not included in this option as it would be a new project</td><td>Finish the Evans Bay coastal route from Carlton Gore Road to Cobham Drive (Years 1-3)
Finish the approved bike and walking improvements through the Miramar cutting – Shelly Bay Road to Tauhinu Street (Year 1)
Funding for the Island Bay Parade upgrade is included in this option – $6m in years 4-6</td></tr>
<tr><td>Opex Cost: None
Rates impact: 0.41% 3 year average increase</td><td>Opex Cost: None
Rates impact: 0.42% 3 year average increase</td></tr>
<tr><td>Capex cost and debt impact: $29m (over 10 years)</td><td>Capex cost and debt impact: $39m (over 10 years)</td></tr>
<tr><td>Option 3 (preferred option)</td><td>Option 4</td></tr>
<tr><td>High investment

This option puts our full programme of work into a priority order for delivery, and aims to complete $120m of that programme during the next decade, including $1m per year for minor improvements and tactical urbanism projects (see note) to encourage people to shift to cycling as a main form of transport.

This option is a $45m or 60 percent increase in funding over what was allocated in the 2018 Long-term Plan.

It includes $82m for new cycleways projects that will be prioritised in years 3 and 4. These routes would include the cycleways outlined below and be based on current cost estimates and benefit/cost ratios.

The prioritised projects expected to be included in this option are:
Finish the Evans Bay coastal route from Carlton Gore Road to Cobham Drive (Years 1-3)
Finish the approved bike and walking improvements through the Miramar cutting – Shelly Bay Road to Tauhinu Street (Year 1)
Funding for the Island Bay Parade upgrade is included in this option – $6m in Years 4-10 as part of the $82m for new cycleways
New cycleways projects – $82m for Years 3-10:
Eastern corridor: Park Road; Miramar Ave to Ira St; Hobart St to Miro St; Broadway to Seatoun; Childers Tce to Queens Dr; Coutts St to Tirangi Rd; and Rongotai to Lyall Bay
Northern connections: Tawa to Johnsonville; Kaiwharawhara to Ngaio; Kenya St; and</td><td>Accelerated full programme

This option includes our full $226m programme of work and aims to complete that full programme during the next decade, including $1m per year for minor improvements and tactical urbanism projects (see note) to encourage people to shift to cycling as a main form of transport.

New cycleways projects will be prioritised in year 1 and delivery would begin from year 2. These routes would include the cycleways outlined below and in Option 3. The order will be based on current order cost estimates and benefit/cost ratios.

However, there is substantial uncertainty regarding the affordability of this option and the ability of the sector to deliver such a large programme of work.

Projects included in this option are:

All of the projects outlined in Option 3, plus:
Funding for Island Bay upgrade is included in this option – $14m in years 1-3
More Northern Connections: Johnsonville to Newlands; Newlands to Paparangi; Paparangi to Johnsonville; and Churton Park to Paparangi
More western connections: Ngaio to Karori; and Thorndon to Northland
Coastal routes: Owhiro Bay to Lyall Bay; Lyall Bay to Seatoun; and Shelly Bay to Seatoun
What we progress and when as part of this option will depend on which routes are delivered as part of Let's</td></tr>
</table>

Johnsonville to Ngaio o Southern connections: Brooklyn to city; and Brooklyn to Owhiro Bay o Western connections: Highbury to city Lower priority routes including around the south coast, and northern connections into Newlands, Paparangi and Grenada Village may not be able to be delivered within this budget. What we progress and when as part of this option will depend on which routes are delivered as part of Let's Get Wellington Moving (LGWM), which is likely include a Newtown connections route, and any further Councillor decisions related to cycleways.	Get Wellington Moving (LGWM), which is likely to include a Newtown connections route, and any further Councillor decisions related to cycleways.
Opex Cost: None Rates impact: 0.45% 3 year average increase	Opex Cost: None Rates impact: 0.69% 3 year average increase
Capex cost and debt impact: $120m (over 10 years)	Capex cost and debt impact: $226m (over 10 years)

Note: Tactical urbanism is about co-designing quick, low-cost, scalable improvements. This can be done through pilots, or temporary spaces, that can become permanent based on community feedback

Decision 4 – Te Atakura First to Zero (climate change)

Background

Te Atakura – First to Zero is our response to the climate and ecological emergency we declared in 2019 but it is not yet funded. Our ambitious target of reducing our emissions significantly in this decade (the national target is half by 2030) is essential to ensuring Wellington is a place where human society can flourish in future decades and centuries.

One of the most significant actions we can take to reduce the city's emissions will be shifting transport modes (from petrol or diesel cars to electric cars, public transport, cycling and walking). The funding for Let's Get Wellington Moving, our Spatial and District Plan review and our extensive cycleways plan (see Decision 3) are allocated directly to those programmes. They are all significant parts of our climate action and will contribute extensively to our reducing our emissions. The full benefits of these won't occur this decade.

Te Atakura is intended to ensure sufficient activity is undertaken in this decade to reduce our emissions. Council can do this by supporting the transport mode-shift projects, as well as encouraging the uptake of electric cars, providing seed funding to leverage businesses and community impact, and supporting residents to be motivated to take action.

Initiatives include:

-
- Converting our vehicle fleet to electric cars
- Greening our building projects
- Supporting car sharing and electric vehicle charging
- Home Energy Saver grants
- Business Energy Saver grants
- Wellington Climate Lab
- Climate and Sustainability Fund

Our preferred option

Our preferred option, Option 3, is to fully fund Te Atakura, which will enable us to work towards reducing our emissions by the full amount planned for this decade.

Option 1	Option 2	Option 3 (preferred option)

Low level of funding	Medium investment with savings	Fully fund the programme
This is a low funding option that is significantly below what is outlined in the Te Atakura action plan. It will mean a significant reduction in the scope of all planned initiatives. The difference between this option and Option 2 is a significant reduction in outward facing programmes that support others to take climate action, lower levels of funding for community engagement and initiative development. This level of funding is likely to deliver only half of the reduction in estimated emissions of Option 3. Workstreams funded under this option include: • Measurement of Council and City greenhouse gas emissions • Climate change response team funding (including initiative investigation and community engagement) • Adaptation planning • Council EV Fleet project (replacing our vehicle fleet with electric vehicles, over 10 years) • Public EV chargers over 5 years, starting in Year 3 • Car sharing support • No increase in existing funding for Home energy audits (Home Energy Saver) • Workplace Travel Planning • Community climate action support (Climate and Sustainability Fund) • Business climate action support (Zero Carbon Challenge and Climathon funded)	This is a medium level of funding, below what is outlined in the Te Atakura action plan. The difference between this option and Option 3 is less funding for the WCC EV Fleet and public EV chargers and lower levels of funding for community engagement and initiative development. Lower levels of reductions in emissions are likely. Workstreams funded under this option include: • Measurement of Council and city greenhouse gas emissions • Climate change response team funding (including initiative investigation and community engagement) • Adaptation planning • WCC EV Fleet project (replacing our vehicle fleet with electric vehicles, over 10 years) • Public EV chargers over 5 years, starting in Year 1 • Car sharing support • Home energy audits (Home Energy Saver) • Workplace travel planning • Community climate action support (Climate and Sustainability Fund) • Business climate action support (Business Energy Saver starting Year 3, Wellington Climate Lab – includes and expands on Zero Carbon Challenge and Climathon)	This option provides full funding for the Te Atakura action plan (not including Let's Get Wellington Moving or cycleways). This means we will be able to work toward reducing our emissions by the full amount planned for this decade. We will also be able to investigate new actions needed and respond to the climate change impacts that we are already seeing in the city. Workstreams funded under this option include: • Measurement of Council and City greenhouse gas emissions • Climate change response team funding (including initiative investigation and community engagement) • Adaptation planning • WCC EV Fleet project (replacing our vehicle fleet with electric vehicles, over 10 years) • Public EV chargers over 5 years, starting in Year 1 • Car sharing support • Home energy audits (Home Energy Saver) • Workplace travel planning • Community climate action support (Climate and Sustainability Fund) • Business climate action support (Business Energy Saver starting Year 1, Wellington Climate Lab – includes and expands on Zero Carbon Challenge and Climathon) Our full Te Atakura action plan is available at https://wcc.govt.nz/zero-carbon
Opex Cost: $11.4m (over 10 years) Rates impact: 0.61% 3 year average increase	Opex Cost: $18.7m (over 10 years) Rates impact: 0.88% 3 year average increase	Opex Cost: $20.8m (over 10 years) Rates impact: 0.94% 3 year average increase

Capex cost and debt impact: $6.7m (over 10 years)	Capex cost and debt impact: $6.7m (over 10 years)	Capex cost and debt impact: $9.1m (over 10 years)

Decision 5 – **Te Ngākau Civic Precinct** – Council office buildings

Background

Te Ngākau Civic Square is the musical, creative, and democratic heart of Wellington, but it has significant resilience challenges.

As a result of concerns about its earthquake resilience, the Town Hall was closed and is now being earthquake strengthened. The Central Library also has resilience issues that we are seeking feedback on, in Decision 6 of this document.

In the future, decisions will need to be made on how best to resolve the resilience issues in the remaining buildings and over what timeframe, including the decision outlined below for our two Council office buildings – the Municipal Office Building (MOB) and the Civic Administration Building (CAB).

The other remaining structures with resilience issues include the Capital E building, the City to Sea bridge and the underground carpark.

A key challenge is funding because there is insufficient debt headroom in the early years of the plan to carry out the capital works and the costs to remedy the issues is significant.

A redevelopment of MOB was previously proposed as part of the National Music Centre initiative in partnership with Victoria University of Wellington (VUW) School of Music and the New Zealand Symphony Orchestra (NZSO). This would strengthen the building to at least 67% NBS and upgrade the building services, with VUW and the NZSO being long-term tenants and the building becoming the home of the National School of Music.

The CAB, which is connected to MOB through the shared entrance, atrium and adjoining floors, was closed due to extensive earthquake damage after the 2016 Kaikoura earthquake. The insurance claim has been settled, meaning $22m is available for remedying the building but it won't be sufficient to address the issues with CAB and those across all the other buildings so significant additional spending would be required to ensure the precinct can be restored and made resilient.

The estimated cost to strengthen and upgrade MOB is $84m, this is significantly higher than the initial estimate of $50m. The estimated cost to strengthen and upgrade CAB is $48m, noting that without significant remedial work on the piling structure CAB is only likely to be able to achieve an NBS rating of about 50%.

The Framework for Te Ngākau is being developed and it is likely to emulate the self-funding model used on the Waterfront. Like the Waterfront, any developments that would happen would be done under the implementation of the framework that will stipulate the vision, objectives and principles for the whole precinct and ensure the Council and city shape any developments that would happen in this key public space.

The Council has also committed to returning the main Council premises to the square as part of its redevelopment.

Michael Fowler Centre carpark

In the 2015/25 Long-term Plan, we consulted on three options for the future of the Michael Fowler Carpark, with disposal of the site through a long-term ground lease to off-set seismic strengthening costs in Te Ngākau adopted as the agreed option. Following a 2016 public process, a preferred developer was selected. Negotiations continue with the developer who is proposing to construct a high-rise building on the site. Any completed negotiations with regard to ground lease arrangements will require a formal Council decision.

Our preferred option

While we are still working through finalising the Framework, a specific decision is required in this Long-term Plan with respect to the future of the Council office buildings - the Municipal Office Building and the Civic Administration Building.

As MOB and CAB are connected, and have similar resilience issues, it is important that the future of the two Council office buildings is considered together. Given this, Council has considered several options.

Our preferred option, Option 1, is to demolish and rebuild the MOB and CAB buildings in partnership with private investment through a long-term ground lease for the site.

Combining a MOB and CAB development would enhance this opportunity and significantly decrease the need for additional Council borrowing and ratepayer funding to address these impaired buildings.

Option 1 (preferred option)	Option 2
Demolish and site developed through a long-term ground lease In this option the MOB and CAB buildings would be demolished, and new buildings developed in their place, through the sale of a long-term ground lease and private funding to develop the replacement building. The opportunity for the National School of Music to be housed within any new MOB building would be pursued. This option enables the Council to avoid significant costs involved in strengthening the existing buildings. Because both buildings are demolished in this option, it will provide greater scope as a community to reimagine Te Ngākau Civic Precinct and see this area restored without further Council borrowings at a time when there are greater priorities for Council investment. MOB is considered a significant asset and a contributory building to the Heritage Civic Precinct. Permission to demolish and for a replacement to be built would require a resource consent. Under this option Council would retain ownership of the land, control the design brief for any replacement buildings but not own or fund the replacement buildings.	Proceed with base build proposal for public purposes Remediate MOB in its current form and for it to be a part of the National Music Centre. Retain and strengthen CAB. The design work required to strengthen and upgrade MOB has been completed and the cost is expected to be $84m. The strengthened building would not result in a fully resilient building (67% NBS at best) as it is constrained by limitations within the existing building. It would possibly be completed quicker than alternate options that involve a replacement building and would retain the building's heritage value. In this option we would also retain and strengthen CAB, the strengthened building would not result in a fully resilient building (50% NBS) as it is constrained by limitations within the existing building. The cost is estimated to be $48m. Both buildings would be funded through an increase in Council borrowings with an offsetting revenue stream from the ability to re-let the finished space as offices. The development risk for both would remain with Council. The increase in borrowings would take Council beyond its debt limit and would require a breach of the limit, the limit to be increased or other capital

	investment to be reduced.
Opex Cost: $750k for resource consent. Demolish MOB $5.7m; Demolish CAB $5.2m. Rates impact: 1.12% 3 year average increase	Opex Cost: MOB $1.5m to $3.8m p.a. Opex Revenue – CAB $1.5m - $2.0m Rates impact: 1.2% 3 year average increase
Capex cost and debt impact: Proceeds of $7m from the sale of MOB ground lease; $7m from the sale of CAB ground lease.	Capex cost and debt impact: Estimated $84m for MOB, Estimated $48m for CAB
Option 3	**Option 4**
Retain and seek to repurpose This option would see MOB strengthened and upgraded to a lesser standard to be fit for use as lower end office space. CAB would be strengthened in the same manner as envisaged under option 2. This option does not vary greatly from Option 2 but would prevent MOB from being available for the National School of Music. Under this option the strengthening costs are lower but there is a greater requirement for fit-out, which under Option 2 was being met by the National School of Music. The extent of the fit-out requirement of MOB will determine the repurposing cost. However, MOB would not be as resilient as in Option 2 and would require ratepayer funding as the expected lower rent would not be sufficient to fully fund the costs associated with the upgrade. The development risk would still be significant and would remain with Council. It is likely both buildings would be able to be completed more quickly than alternative options that involve replacement of a building and this option would retain the MOB building's heritage value. The increase in borrowings would take Council beyond its debt limit and would require a breach of the limit, the limit to be increased or other capital investment to be reduced.	Sell to support development This option would seek to sell MOB and CAB 'as is'. The new owners would then become responsible for the strengthening and upgrade of the two buildings. Development risk would pass with the building to the new owner. Council would retain ownership of the land. Given the challenges and costs to strengthen these buildings there is no certainty that there would be a buyer or of the sale value, it may actually require Council to incentivise any sale. Importantly, when considering the wider Te Ngākau Civic Square perspective, this option would also result in Council losing control of significant sites in the square and introduces risks to the overall future of the area. As Council would have no control of the buildings, there is no guarantee that any refurbishment will be done in a timely manner, be of good quality, that the use will be appropriate for the area, or that the buildings will be strengthened to a resilient level. Because this option is a sale of the buildings, it relieves Council of the cost and associated borrowings, transfers the development risk and potentially does not result in any rates impact unless incentives are required to facilitate any sale.
Opex Cost: MOB $0.7m - $4.3m per annum for 35 years (if able to be leased) CAB lease revenue $1.5m Rates impact: 1.15% 3 year average increase	Opex Cost: None Rates impact: None
Capex cost and debt impact: Estimated $70m - $90m for MOB. Estimated $48m for CAB.	Capex cost and debt impact: None

Decision 6 – **Te Ngākau Civic Square:** Central Library

Background

Wellington's much-loved Central Library was closed in March 2019 following an engineering assessment saying that the way the floor was designed presented a high level of potential failure in a significant earthquake. It has a similar floor design to one used in the now demolished Statistics House, where a floor collapsed in the Kaikoura earthquakes.

In 2020, we ran a six-week consultation in which we asked for public feedback on five options for restoring a Central Library service in Te Ngākau Civic Square. The options all considered, to varying degrees, the resilience of the building, future proofing the library service, the connection to Te Ngākau, and the overall costs. The options consulted on included:

- ***Low-level remediation –*** Repairing the structural issues of highest concern so the building is safe to re-open ($81.9m).
- ***Mid-level remediation –*** Strengthening the building to approximately 80 percent NBS of the current code. It would increase the likelihood the building could be re-occupied safely after an earthquake ($154m).
- ***High-level remediation –*** Repair the building's structural issues to the highest extent possible. It would include installing base isolators and integrate the building more with Te Ngākau and the surrounding streets through additional entrances, views, landscaping, and improved accessibility ($178.7m).
- ***Build new building on same site or another Te Ngākau Civic Square site –*** This would involve demolishing the existing building and either building a new library on the same site ($183m), or building the new library on another Te Ngākau Civic Precinct site ($183m).

After hearing from Wellingtonians in this consultation phase, Council agreed to recommend the high-level remediation option to be part of this plan. This option, as above, makes the building resilient to future shocks, and supports our ability to deliver an adaptable modern library service, while preserving the buildings heritage. It also allows us to mitigate some climate change impacts in the future.

Our preferred option

Now the Council has decided on how we will repair and upgrade the building, there are choices about how to fund the project, and when the work should take place.

The preferred option, Option 1, includes the Council agreeing to temporarily breach its debt limit of 225% to ensure the library can be refurbished in the original timeframe and remain in public ownership. Our debt level will remain at 225%, and Council has agreed to accept the breach in the first three years of this plan. This breach will be mitigated by any capital underspend being used for the library project rather than on new projects. Our debt level will be back below our limit by year 4 – 2024/25

An alternative option to complete the project without breaching the debt limit through making cuts to other capital projects (such as our three waters network, city streets upgrades, cycleways programmes, or venue upgrades) is not recommended as this would not be responsible management of the other assets.

Option 1 (preferred option)	Option 2	Option 3
Strengthen now by temporarily exceeding debt limit This option repairs the building's structural issues to the highest extent possible. It includes base isolating the building. Base isolation means the building would likely be safe to occupy during and after a significant earthquake. The building's heritage value will be retained, and it will integrate more with Te Ngākau Civic Precinct and the surrounding streets through additional entrances, views, landscaping, and improved accessibility. Under this option, the full costs of this project will be met by Council. It will mean the rebuild will progress within the original timeframe and the building will reopen in 2026. However, there is not enough headroom in the budget in the early years of the Long-term Plan for this project. This means the Council's debt limit will be exceeded in the first three years of the plan.	Council to strengthen Central Library later This option will repair the building's structural issues in the same manner as in Option 1, however this option does not exceed the Council's debt limit. As in Option 1 the full costs of this project will fall to Council, but in this option the project would be delayed until a period of the Long-term Plan when there is sufficient headroom, and therefore borrowing capacity, for the project to go ahead. This means Council would remain under its debt limit with this option. In this option the Central Library would reopen in 2028, instead of 2026. This is not our preferred option, as feedback tells us that the community wants to have the Central Library reopen sooner, rather than later.	Strengthen now by increasing rates further This option will repair the building's structural issues in the same manner as in Option 1, and allows for the remediation to happen as per the original timeframe (open 2026). However, this option does include an extra 3% rates increase above the 13.5% in year 1. The increase in rates will allow the Council to rapidly pay down more of the additional debt that it has taken on because of the temporary loss of the dividend from the Wellington International Airport Limited due to Covid-19 impacts. As our borrowing limit is a ratio of debt to income, the increase in rates also enables us to borrow more against the increased rates income. The additional borrowing headroom can then be used to fund the Central Library remediation and ensures the debt to income ratio of 225% is not breached.
Opex Cost: None Rates impact: 0.4% 3 year average increase	Opex Cost: None Rates impact: None	Opex Cost: None Rates impact: 1.4% 3 year average increase
Capex cost and debt impact: $187.4m	Capex cost and debt impact: $187.4m	Capex cost and debt impact: $187.4m

Decision 7 – Sludge and waste minimisation

Background

At the Southern Landfill, Wellingtonians dispose of about 80,000 tonnes per year of waste. This does not include construction and demolition waste, or contaminated soil, or waste that goes to other landfills. New Zealanders generate at least twice as much waste per capita than developing countries according to OECD reporting.

One of the largest waste categories at the Southern Landfill is wastewater (sewage) sludge. This accounts for about a quarter of the waste that enters the landfill.

Wastewater sludge is the by-product of the treatment process and is currently pumped through eight kilometres of pipelines from the treatment plant at Moa Point to the landfill. This is the pipeline that failed under Mt Albert early in 2020, causing serious financial and environmental consequences for the city.

At the landfill, sludge has some of the water removed and the remaining sludge is mixed with other wastes in the landfill to provide structural stability, and then covered and buried. To achieve the stability and reduce issues such as odour a ratio of one part sludge to four parts other waste is required, this is a condition of the landfill resource consent.

This provides a challenge as we want to reduce the amount of waste going to landfill by a third, but still need sufficient waste to mix with the sludge. This challenge will increase as the population continues to grow. Even when mixed sludge is unsafe to handle and must be disposed carefully to avoid transmission of diseases.

Further, as the mixed waste decomposes it generates methane, a greenhouse gas. While currently every effort is made to capture this methane and convert it to electricity, the system is imperfect and some is lost into the environment. The landfill generates over 80 percent of the Council's greenhouse gas emissions so improving gas capture is important.

Because of the stability ratio, we can't reduce the other waste types that produce methane until we remove or reduce the wastewater sludge.

We know that this system is not sustainable, is impacting our environment, and does not reflect how we see ourselves as Wellingtonians. We need to break the link between the Southern Landfill and wastewater sludge and stop pumping sludge across the city, as 2020 highlighted the serious resilience issues and the significant consequences of failure.

Our preferred option

Through Te Atakura (our Zero Carbon Plan) and our Regional Waste Minimisation and Management Plan we have formally committed to reducing carbon emissions and reducing waste by a third. Minimising wastewater sludge is a necessary first step to achieving these objectives.

The options to achieve this are below, with our preferred option, Option 4, being investing in a sludge minimisation programme through non-Council funding.

Option 1	Option 2

No change in current practice The cheapest course of action would be to keep pumping raw wastewater across the city and disposing of it in the landfill. This is a feasible and affordable choice. The key issues with current practice are that it: • does not meet the Council's environmental objectives. • large volumes of sludge would continue to be moved (pumped) across the City in a vulnerable 8km pipeline; and • the current practice would still need to be changed within about decade.	Invest in technology at Southern Landfill We could invest in better infrastructure at the Southern Landfill. For example, we could install a thermal drier (estimated additional total expenditure around $86-134m) and this would go some way to reducing the volume of sludge to be disposed. However, while this option reduces some of the sludge volume to landfill, there remains a significant residual (remaining) volume of sludge to be disposed of at the landfill. In addition, the pumping of sewage across the city would continue. Overall, this option would result in incremental improvement, but continue to expose the city to the vulnerability of the 8km pipeline.
Opex Cost: No change Rates impact: None	Opex Cost: None Rates impact: 0.32% 3 year average increase
Capex cost and debt impact: No change	Capex cost and debt impact: $86m to $134m
Option 3	**Option 4 (preferred option)**
Sludge minimisation through Council funding Invest in the existing wastewater treatment plant site at Moa Point. For example, we could build a digester (large tank system that reduces sludge volume, produces energy and treats the sludge so it is safe to dispose) and a dryer at Moa Point to further reduce the volume of the sludge and produce a product that could potentially be diverted from the landfill for beneficial re-use. This would mean the sludge would not need to be pumped to the Southern Landfill and would help the city meet its environmental objectives. This would be a long-term, strategic investment that would leapfrog short-term options and better reflect our aspirations on carbon and waste reduction. Investing in sludge minimisation better aligns our infrastructure with our ambition and stated objectives, however this comes at a significant cost and it would mean a breach of our debt limit to fund the programme through the Council's balance sheet.	Sludge minimisation through alternate funding This option would deliver the same service and benefits as Option 3 – investment in the wastewater treatment plant at Moa Point. However, this option is our preferred option, because the significant cost of the project will be delivered and funded externally through use of the new Infrastructure Funding and Financing Act. This would mean that the project would not be funded by Council debt and we would not exceed our debt-to-income cap as in Option 3. The same asset will still be constructed as Option 3 (at a value of $147m-$208m) and the plant will be fully owned by the Council once construction is completed in year 3 of the LTP. While there is no impact on rates, there will be an additional charge to rate payers in the form of a levy to repay the borrowing required to fund the project. Risks: The use of external funding in this way is new, having only been recently enabled through the Infrastructure Funding and Financing Act 2020. We are currently working with the Crown on this alternative funding approach however should it not be possible then there would be no funding allowance for this work in the Long-term Plan budget. This means that either the project could not proceed, further prioritisation of Council spending would be necessary, or an alternative Public Private Partnership (PPP) would need to be considered. If still proceeded with, reprioritisation would be required to ensure our projected borrowings remain within the

	limit of 225% of operating income while completing the project. This would mean an additional $147m to $208m of borrowing would be required and an equivalent level of capital upgrades would need to be moved from the first four years of the plan to outyears. This would not impact current levels of service, but would delay the implementation of other planned improvements to levels of service in our plan by several years.
Opex Cost: None Rates impact: 1.05% 3 year average increase	Opex Cost: None Rates impact: None, but a levy of approx. $70 to $100 per residential ratepayer collected per year from year 4
Capex cost and debt impact: $147m to $208m in first 10 years	Capex cost and debt impact: Same as Option 3, but through alternate funding, so no cost to Council.

Decisions coming up in the future

The following list of key issues are important to Wellington and have potentially big costs associated with them. For many of these we will need to leave headroom in our debt limit to fund them in the future or find alternate methods of funding. The key decisions on these issues are yet to be made and we will consult on them closer to the time.

Three waters reform

Central Government is currently undertaking significant reforms to the way three waters is managed across New Zealand. As part of the reform programme, we have signed a Memorandum of Understanding with the Government and are participating in the investigation into future service delivery and funding options for the three waters network.

The Government is expecting to make substantive policy decisions relating to the reforms in May 2021, to enable legislation to be prepared for introduction later that year.

The reforms are voluntary, with a partnership-based approach. This means that we will be asked to decide to participate in the new service delivery system in late 2021. This decision would be in the form of an 'opt out' approach, whereby we would be included in one of the new water service delivery entities by default, but can decide not to continue to participate.

If we participate in the reforms, any transfer of responsibilities, assets, etc. is likely to occur from 2023/24. Therefore, depending on the outcomes of the reform programme, it could lead to significant changes to our Long-term Plan in future years and will require future consultation with you.

Because these reforms are still underway, for this plan we are continuing with the current arrangements of Wellington City Council owning three waters infrastructure. While this might change in the future, we will continue to need three waters services whether the council delivers them or not. Therefore, for the time being it is important that these activities are reflected in the Financial and Infrastructure strategy and other information that supports our plan.

For further information on the forecasting assumptions relating to three waters, refer to the significant forecasting assumptions and disclosures in the additional information on our website.

Let's Get Wellington Moving

Another significant decision during the time of this Long-term Plan is in the investment choices that we face for the Let's Get Wellington Moving (LGWM) programme, which is a joint initiative between Waka Kotahi NZ Transport Agency, Wellington City Council, Greater Wellington Regional Council.

Its vision for Wellington is a great harbour city, accessible to all, with attractive places, shared streets, and efficient local and regional journeys. The objectives of the programme are to enhance liveability, provide efficient and reliable access across the City to support growth, reduce reliance on private vehicles by improving access to public transport, walking and cycling transport options, promote environmental sustainability, and improve safety and resilience of the wider transport network.

The programme is made up of several projects which cover the area from Ngauranga Gorge to Miramar including the Wellington Urban Motorway, access to the port, and connections to the central city, Wellington Hospital, and the airport. It includes all the ways we get to, and around our city, and how the city develops alongside its transport system.

A recent review into the programme found that for the LGWM programme to be delivered successfully, some improvements are needed to the programme's governance structure as well as ensuring the programme is adequately resourced with effective systems implemented and an increased focus on people and culture. There will also be an enhanced focus on delivery of several of the projects over the next three years.

The funding included in the Long-term Plan covers our share of the cost of planned improvements on Thorndon Quay and Hutt Road, the Golden Mile as well as several pedestrian, cycling, public transport and amenity improvements across the city. These projects are in various stages of planning and investigation with delivery planned to commence in 2022.

There will also be a series of ongoing decisions over the early years of the Long-term Plan as business cases for projects such as mass rapid transport, state highway improvements and bus priority are completed and presented to Council. We have included budget of $270m for the City Streets programme, but council's contribution for the whole programme could be more than $1.4b. For more detail on the LGWM programme, please go to https://lgwm.nz/

Community infrastructure investments

Our city is growing and as it grows we'll need to continue to invest in community infrastructure to support our residents, including parks, community centres and halls. At the same time, we already have existing community assets spread across the city that we need to maintain.

With the development of our Spatial Plan, now is a good time to look across our current network of community infrastructure to see if we have the right facilities in the right places to best meet community needs now and for the future. Doing this will help us ensure that we're getting maximum benefit from the assets we own for our communities.

We'll do this work alongside development of our Spatial Plan over the coming year and may lead to changes to the mix of community assets that we have in different parts of Wellington.

We will consult on changes in this area later, once we have a greater understanding of what any changes to our investments might involve.

Affordable Housing

Affordable housing is important to the Council and we have an aim of ensuring all Wellingtonians are well housed. We are already working towards more affordable housing in Wellington through the following programmes:

- *Planning for Growth* – the development of a new Spatial Plan and changes to the District Plan that will support more development to accommodate population growth of 50,000 to 80,000 over the next 30 years.
- *Housing Strategy* – A 10-year strategy that looks at the whole housing continuum, and means we are working towards the aim of "all Wellingtonians are well housed". This includes increasing access to affordable housing.
- *One-stop shop* – a series of efficiency improvements to our consenting processes to support development of new housing
- *City housing provision* – Council is one of the largest social housing providers in New Zealand supporting Wellingtonians with affordable rental accommodation. We are part way through an upgrade programme of our social housing units.
- *Te Mahana (Homelessness strategy)* – this is a collaboration with other agencies to ensure instances of homelessness are rare, brief, and non-reoccurring.
- *Proactive development* – we are actively supporting additional supply by working with commercial providers on converting office space into affordable apartments.

In addition to the above, over the coming year we will investigate how we can best increase affordable housing outcomes for the city. Please provide any feedback on improving housing affordability in question 10 of the submission form.

City Housing financial sustainability

The Council has more than 1,900 social housing units across the city. In 2007, we signed a Deed of Grant with Central Government. It commits us to remaining a provider of social housing until at least 2037 and to upgrading our housing portfolio to modern standards.

We have completed phase 1 of the upgrades, for which we received a $220m grant from Central Government. Phase 2 is due to begin in 2022 and be completed by 2028. By 2024, we also need to complete further upgrades to meet the new Healthy Homes standards set out in legislation.

Under the current financial arrangement, City Housing operations are paid for through tenant rents, which are set at 70 percent of market rent. The rents no longer fully cover operating costs, resulting in inadequate funding for the upgrade programme and are increasingly unaffordable for tenants. There is no funding support though rates or from Central Government through Income Related Rent Subsidies (IRRS).

The annual operating deficit for City Housing is forecast to be $8.7m in year 1 of the plan and increase from there. The cost of the full capital upgrade and maintenance needs over the next 10 years is $446m. This includes meeting Healthy Homes requirements, Phase 2 of the housing upgrade programme, and regular asset maintenance.

City Housing has cash reserves of $50.6m, which means we can complete our Healthy Homes upgrade requirements and meet the operating deficit and basic asset renewals for two financial years. However, City Housing will then become insolvent from June 2023. The draft Long-term Plan provides Council debt funding for the operating deficit to enable operations to continue until a sustainable solution is agreed by Council.

Council is actively working on options to ensure we can continue to provide this important service for our tenants, while also meeting our costs and commitments under the Deed of Grant. As part of this, Council is discussing options with Central Government, including immediate access to the IRRS for all eligible, existing tenants, funding capital costs through the Crown's Infrastructure Funding and Financing tool and/or establishing a Community Housing Provider (CHP). If these options are not viable, further prioritisation of Council spending and/or rates funding of City Housing would be necessary.

This Long-term Plan includes budget for the operating costs and three years' worth of funding for capital costs, including costs for Healthy Homes, regular asset renewals and minor upgrades ($42.8m). This assumes that within the first years of the plan, the Council will make decisions to address the financial sustainability challenges and begin implementing solutions to fund operating and capital shortfalls.

Any decision on a preferred way forward will involve a separate consultation process with Wellingtonians to get feedback on potential solutions. If you have any feedback on this issue now, please let us know in Question 10 of the submission form.

Venues strengthening and upgrades

We have been strengthening the St James Theatre and the Town Hall, with those projects expected to be completed within the early years of this Long-term Plan. However, there is also significant investment required for many other Council venues.

We have provisioned $45m of funding in our proposed budget (partially redirected from the indoor arena funding) to begin to strengthen and upgrade other venues. A programme will be developed outlining the scope of work required and the timeline for the projects. Decisions will be required for each of these major projects when more details are finalised. Work on these venues would be phased to maximise the availability of venues over time, with work on one venue commencing as work on others is completed.

Further divestment opportunities

To manage our finances, we need to consider several factors such as the rates we charge, the level of service we provide and the amount of debt we hold. We can also consider whether our assets are delivering the best value for Wellingtonians.

Where we have assets that could realise more value, we can look at divesting (selling) these assets and use the proceeds to off-set our borrowings or reinvest in assets with a better financial return. This can help keep rates at an affordable level.

Assets that may represent an opportunity for Council include our shares in Wellington International Airport, our portfolio of ground leases, encroachments, road reserve, and some of our buildings.

These opportunities will be investigated and any decisions to sell strategic assets will need to be further consulted on with the community before any decision is made.

Wellington Regional Growth Framework

The Wellington Regional Growth Framework is a spatial plan that has been developed by local government, central government and iwi partners in the Wellington-Wairarapa-Horowhenua region to provide an agreed regional direction for growth and investment and to deliver on the Urban Growth Agenda objectives of the Government.

The Framework identifies how the region could accommodate an additional 200,000 people and an additional 100,000 jobs in the next 30 years.

Consultation on the Wellington Regional Growth Framework is being undertaken in a similar timeframe to the Long-term Plan but not as part of our council consultation. To participate in the consultation on the Framework, please go to https://wrgf.co.nz/.

What else are we planning in the next ten years?

Alongside the big projects already outlined in this document, we have a full programme of projects planned across all of our areas. Many of these projects are already underway, have already been consulted on, decided on by Council or were included as part of the previous Long-term Plan.

Our plans are organised into seven activity areas and more details on what we are also planning in each of the areas below is available on our website, https://wgtn.cc/ltp

Governance

This area includes our work on providing information, consultation and decision-making, and our engagement with Māori residents and our mana whenua partners.

Key projects in this plan include increasing our investment in our mana whenua partnerships, engagement on key projects across the Council and digitising the City Archive.

Environment

This area includes our Wellington Gardens, beaches, and green open spaces, water, wastewater, waste reduction and energy conservation, environmental conservation attractions and the quarry.

Work planned for our waste, climate change and three waters network areas is covered in our big decisions earlier in this document. We will also be continuing our support of Predator Free Wellington, completing the Frank Kitts Park playground upgrade, and delivering upgrades in our parks and reserves.

As we increase the investment in our infrastructure, we will ensure, where practicable, that investing in green infrastructure is our business as usual practice. Green infrastructure means incorporating natural green and open spaces that use vegetation, soils, and other elements and practices to help deal with environmental challenges such as stormwater runoff and climate adaptation. This would supplement our hard infrastructure, while providing increased biodiversity, flood protection, and more green and open spaces throughout the city.

Economic Development

This area includes our work on economic activities, city promotions, events and attractions, and business support.

Key projects included the delivery of Tākina – the conference and exhibition centre – and providing for upgrades to our existing venues. The development of a new Economic Development Strategy will provide for key focus areas of the Council's economic activities, including but not limited to, the Regional Economic Development Strategy, Māori Economic Development plan, Night-time economy plan, circular economy and identifying the city's competitive economic advantage areas.

Cultural Wellbeing

Our work in this area includes galleries and museums, community arts and cultural support, and arts partnerships.

We will continue to provide a variety of free public and community events, such as Matariki, Gardens Magic and Diwali. Key projects also include earthquake strengthening of the Wellington Museum and developing a new Arts and Culture Strategy.

Social and Recreation

In this area we have our libraries, pools, recreation facilities and programmes, playgrounds, public health and safety, public toilets, cemeteries, social housing, and community support.

There are several key projects in this area including earthquake strengthening Freyberg Pool; on-going renewals of recreation assets, including re-surfacing Hataitai netball and tennis courts; creating the Grenada North Sports Hub; complete upgrades of Strathmore, Newtown, Aro Valley, Tawa/Linden and Karori community facilities; Makara Cemetery expansion; safety improvements around Te Aro Park; and the divestment of Wadestown Community Centre.

Urban Development

Our Urban development area covers our work in urban planning and policy, heritage, and character protection, building control and facilitation, development control and facilitation, earthquake risk mitigation and public spaces development

Key projects in this area include our Spatial Plan and District Plan review, development of Site 9 on the Waterfront and upgrades to Shed 1 and 5, and completion of the Town Hall and St James Theatre earthquake strengthening.

Transport

This area covers our entire transport network, and our parking operations. This includes transport planning and policy, maintenance, renewal and upgrades of our transport networks and parking enforcement.

Key projects in this area for this plan are part of Let’s Get Wellington Moving and our cycleways decision highlighted earlier in this paper. It also includes key resilience work, eg retaining walls on key transport routes.

Fees and User Charges

Our Revenue and Financing Policy guides our decisions on how to fund Council services. We consider who benefits from a service (e.g. individuals, parts of the community or the community as a whole) to help determine how the service should be funded.

The policy also sets the targets for each Council activity indicating the proportion that should be funded from user charges, general rates, targets rates and other sources of income. As part of proposed plan, we have reviewed our fees and charges and are proposing to change some fees and charges for the following Council services:

- Parking
- Botanical gardens
- Waterfront public spaces
- Sewerage collection and disposal
- Arts partnerships
- Sportsfields
- Golf
- Community centres
- Recreation centres
- Swimming
- Marinas
- Public health regulations
- Burials and cremations
- Waste minimisation
- Building control and facilitation
- Development control and facilitation
- Network-wide control and management

Due to COVID-19, some fees were not increased for the 2020-21 year. This means that some fees have experienced higher increases in the current proposal, including significant increases for Parking, Building Control and Facilitation, and Waterfront Public Spaces. For example, there is a substantial increase in weekend and coupon parking rates to support Council's journey to becoming a low-carbon capital.

Detailed information on the fees and charges for specific services can be found on our website – https://wgtn.cc/ltp

Investing in infrastructure

Scale of Council infrastructure

Council's core infrastructure assets are critical to the city's economy and quality of life. Our total assets are valued at over $7.6 billion, approximately two thirds are the core infrastructure assets for our three waters services and transport networks.

Our transport activity has an asset replacement value of $1.6 billion and includes 700km of city roads, including accessways, 900km of footpaths, 38km of cycleways, 119 traffic signals, more than 20,000 streetlights, 135km safety fences, handrails, and guardrails as well as other transport network assets.

The Council owns the three waters networks worth over $3.8 billion which includes 67 reservoirs, 105 pumping stations, more than 2,727km of underground pipes, 165,000 fittings valves and hydrants, 18km tunnels and stormwater network run-off infrastructure.

Finally, we have a significant portfolio of built property assets worth over $1.1 billion which includes Venue buildings, Community buildings and libraries, Commercial buildings, and operational buildings such as Municipal Office Building and Civic Administration Building.

Replacement value of assets

Group	Amount ($m)
Three waters	$3,897
Transport	$1,685
Property	$489
City Housing	$370
Parks Sport and Recreation	$614
Waterfront	$334
Other	$275
Total (excluding land)	$7,664

*some of the built portfolio is also within other groups

Our assets are generally well maintained and in reasonable condition. However, we have some challenges across our three waters assets and around obtaining more data on our assets to better inform the rate and timing of renewals. This improved data is expected to show a requirement to increase the amount of renewals we do, the need for increased capacity to accommodate forecast growth, and the need to ensure our assets are resilient to earthquakes, storms and the impacts of climate change.

In particular, the three waters network has a significant number of assets that have exceeded their expected useful life. As the 2019/20 Mayoral Taskforce: Three Waters noted, *"as assets age, their condition deteriorates, and they become increasingly prone to failures such as leaks and overflows that require a reactive operational response".*

Significant issues facing our infrastructure

Several issues in the city are driving the need for investment in our infrastructure:

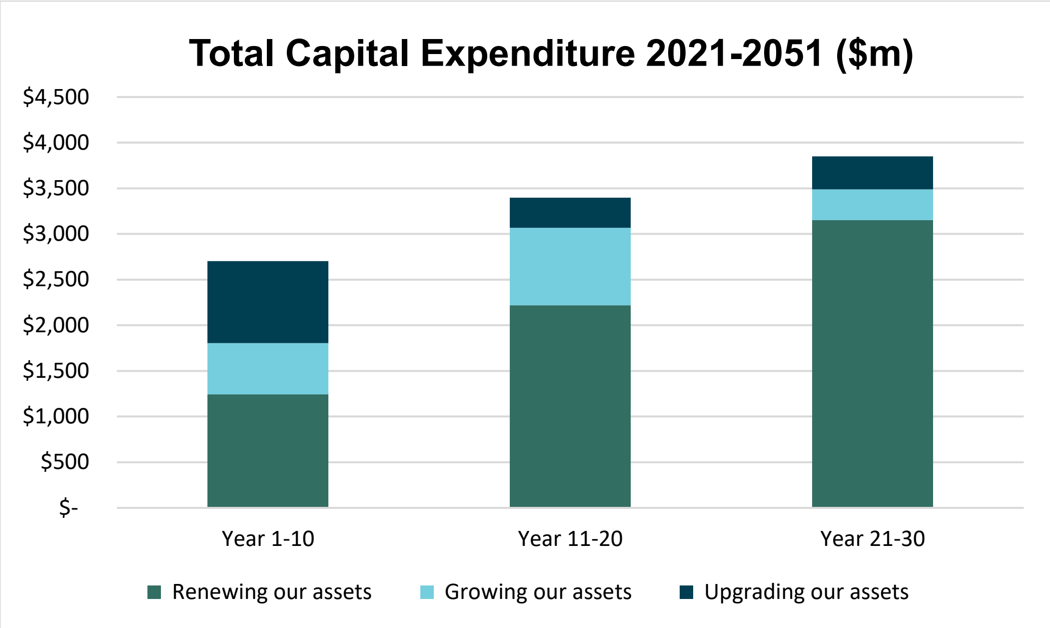
- The Mayoral Taskforce highlighted the challenges with our three waters infrastructure and the need to increase our investment in renewing and upgrading our pipes
- Our Planning for Growth programme is building a plan for the future shape of the city as it grows. Managing growth in a sustainable way to enable an affordable and liveable city will drive investment in building the capacity of all of our infrastructure networks.
- The resilience of our infrastructure is a key concern – both in responding to issues created by the 2016 Kaikoura earthquake (such as the remediation of buildings in Te Ngākau Civic Square) and improving the resilience of our infrastructure for future events (such as increasing the resilience of water storage in the city).
- The declaration of a climate and ecological emergency in 2019, and adoption of Te Atakura our first to zero carbon emissions strategy
- Continued progress of Let's Get Wellington Moving (LGWM) will drive significant infrastructure investment in the city
- An ambitious waste minimisation plan that aims to reduce waste to landfill by one third within ten years.

Our investment plans

The Council is committed to making some of the largest capital investments it has ever made over the next ten years (a $2.7b capital investment programme, $400m more than our previous plan in 2018). This level of investment is needed to ensure that the city's core infrastructure (three waters, transport) is maintained and optimised, to accommodate an expected population growth of between 50,000 to 80,000 people, and to respond to key challenges such as climate change and earthquake strengthening.

We are projecting that these investments will increase the value of the Council's (non-land) assets by around 15% over the next ten years (from $7.8 billion to $9.0 billion). Looking further out, we are expecting the value of our assets to more than double over the following 20 years (to between $20 billion and $30 billion by 2050).

The graph below shows total planned capital expenditure over the 30 years of the Long-Term Plan. More detail on our total budget over 30 years, including depreciation, is in our Financial and Infrastructure Strategy.



The Key Investments table below summarises the main drivers of our planned capital expenditure that will be invested over the next thirty years, this includes a significant level of investment in renewing our existing assets.

The timing of the renewal of assets is guided by our asset management plans. Over the 30 years covered by this infrastructure strategy we plan to spend a total of $6.9 billion renewing this infrastructure.

There is always an inherent level of risk in delivering a capital programme, particularly one that is substantially increased, however we are taking steps to mitigate risks such as building our in house project management, strategic asset management and commercial partnership capability, along with re-phasing the programme to a more realistic delivery timetable.

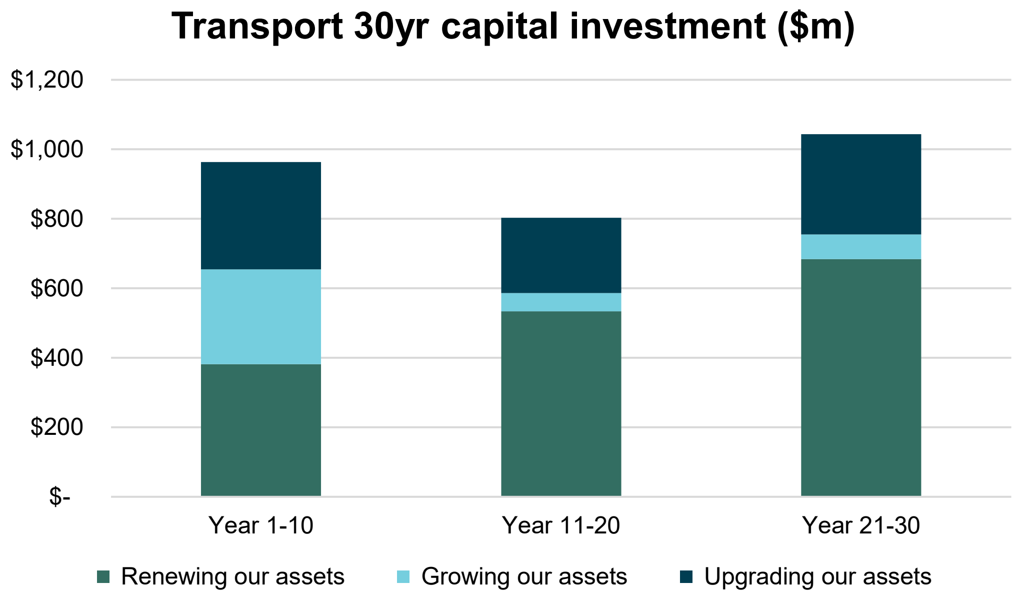
Key investments

Transport	Three waters	Buildings/community facilities
• Let's Get Wellington Moving • Investing in growing our network of cycleways across the city • Investment in retaining wall, building their resilience especially along our key 'lifeline' routes into and out of the city • Increasing the investment in the key roading asset to address the deferred renewals.	• Significant increase in renewal of all our three waters infrastructure • Investment in sludge minimisation – significantly reducing our carbon profile • Increasing the wastewater capacity of ournetwork in the CBD to accommodate projected growth • Building improved data confidence - significantly increasing the frequency and volume of condition assessments completed	• Remediation of significant seismic issues across our properties, including Te Ngākau Civic Square • Reviewing our networks of community assets in light of the changing needs of the city as it grows • Completion of Phase 2 of our upgrade of our social housing portfolio

	each year	

Where and when we will invest in our key areas

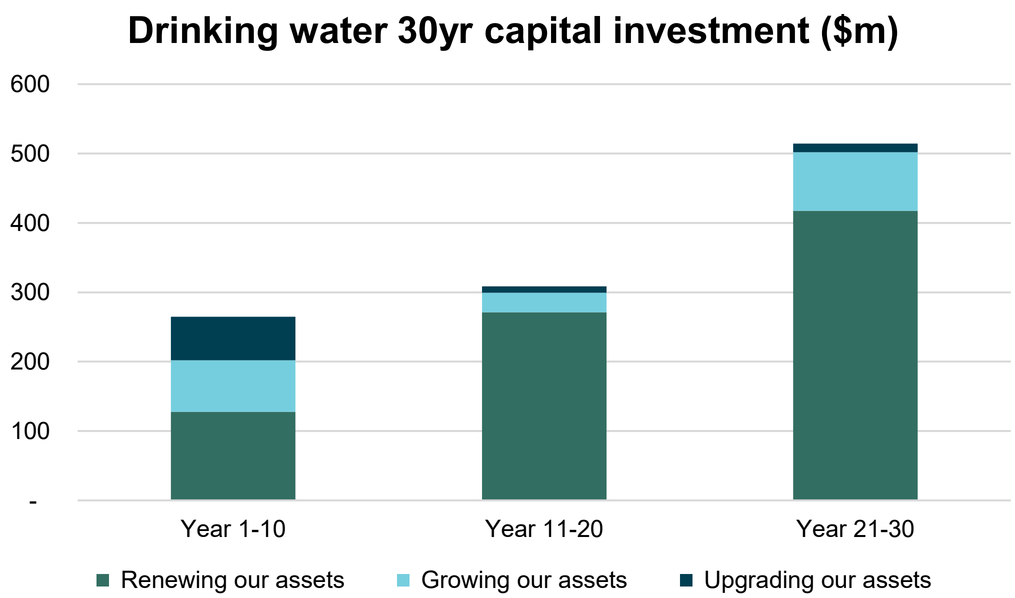
The graphs below show the growth, renewal, and upgrade capital investment we are proposing for the next 30 years in our transport and three waters network.



In Transport the upgrades for growth in the next 10 years include facilitating transport modal shift such as $192m for bus prioritisation and new roading to facilitate greenfields sites e.g. $128m for Ohariu to Westchester Drive.

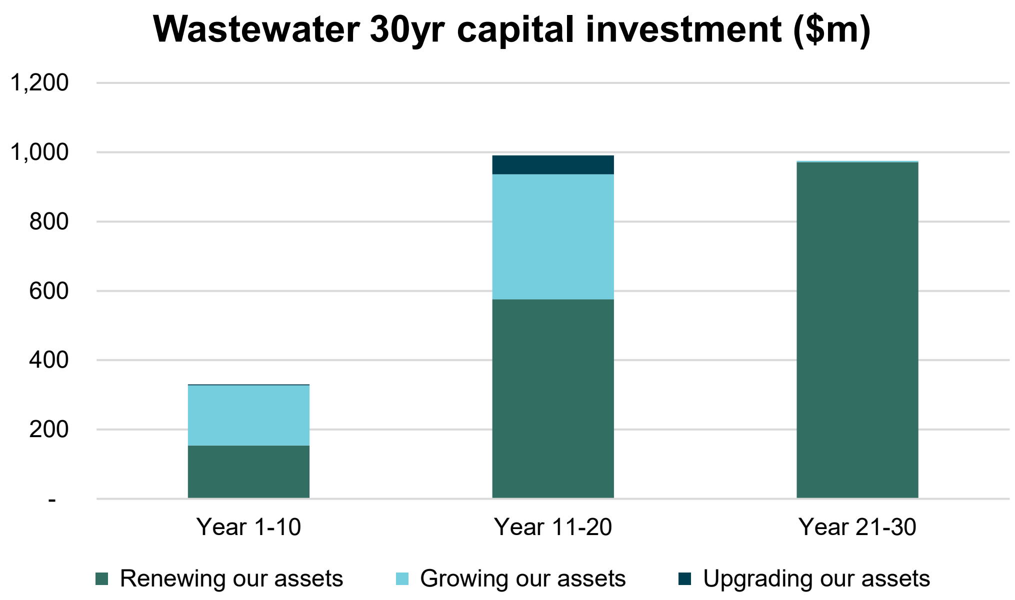
Level of service improvements are planned across the 30 years mainly to install new retaining walls to protect roading assets, especially prioritising routes.

The capital investment will facilitate improvements in accessibility as the programme works through its lifecycle.



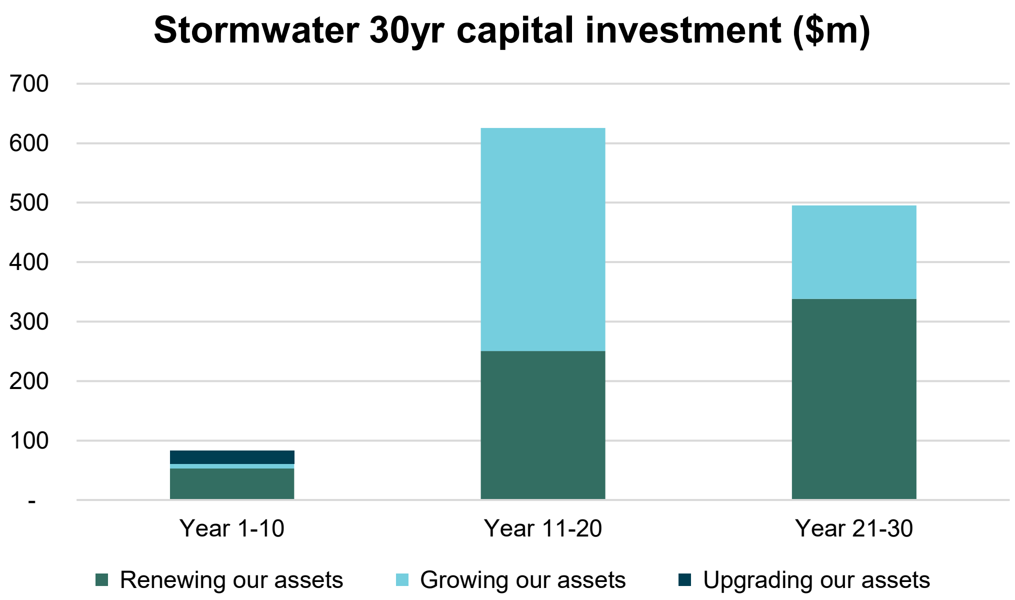
The level of renewals in Drinking water for the first ten years has increased by more than 80 percent compared to the first ten years of the 2018 Long-term Plan.

There is $74m of upgrades for growth budgeted in the first 10 years, however this is forecast to increase as the Planning for Growth project is completed in the next two years.



In Wastewater there is significant investment planned for sludge minimisation, central city wastewater network improvements and increased investment in renewals prioritising critical assets

There is $142m of upgrades for growth budgeted in the first 10 years compared to $4m in the prior decade.



The level of renewals for Stormwater for the first ten years has increased by more than 25 percent compared to the first ten years of the 2018 Long-term Plan.

There is a significant increase in the volume of assets that are coming to the end of their expected useful life from about 2031/32. The forecast budget more than doubles to match the planned uplift in the renewal programme in the second two decades.

What does it mean for me?

What are my rates?

The tables in this section show indicative rates for residential, suburban commercial and downtown commercial ratepayers.

They are for indicative purposes only and may vary from actual rates.

Indicative residential property rates exclusive of GST (for properties without a water meter)

Capital Values $	2021/22 Total Rates (inc GST) $	Increase over 2020/21
400,000	1,930	12.13%
500,000	2,324	12.62%
600,000	2,718	12.96%
700,000	3,112	13.22%
800,000	3,506	13.43%
900,000	3,900	13.59%
1,000,000	4,294	13.72%
1,100,000	4,688	13.83%
1,200,000	5,082	13.93%
1,300,000	5,476	14.01%
1,400,000	5,870	14.08%
1,500,000	6,264	14.14%
1,600,000	6,657	14.19%
1,700,000	7,051	14.24%
1,800,000	7,445	14.28%
1,900,000	7,839	14.32%
2,000,000	8,233	14.35%

Indicative suburban commercial property rates exclusive of GST (for properties with a water meter)

Capital Values $	2021/22 Total Rates (inc GST) $	Increase over 2020/21
1,000,000	11,114	16.01%
1,250,000	13,848	16.07%
1,500,000	16,582	16.10%
1,750,000	19,315	16.13%
2,000,000	22,049	16.15%
2,250,000	24,783	16.17%
2,500,000	27,516	16.18%
2,750,000	30,250	16.19%
3,000,000	32,984	16.20%
3,250,000	35,718	16.20%

3,500,000	38,451	16.21%
3,750,000	41,185	16.22%
4,000,000	43,919	16.22%
4,250,000	46,653	16.22%
4,500,000	49,386	16.23%
4,750,000	52,120	16.23%
5,000,000	54,854	16.23%

Indicative downtown commercial property rates exclusive of GST (for properties with a water meter)

Capital Values	2021/22 Total Rates (inc GST) $	Increase over 2020/21
1,000,000	12,820	16.53%
1,250,000	15,980	16.58%
1,500,000	19,140	16.62%
1,750,000	22,300	16.64%
2,000,000	25,460	16.66%
2,250,000	28,620	16.67%
2,500,000	31,780	16.68%
2,750,000	34,940	16.69%
3,000,000	38,101	16.70%
3,250,000	41,261	16.71%
3,500,000	44,421	16.71%
3,750,000	47,581	16.72%
4,000,000	50,741	16.72%
4,250,000	53,901	16.72%
4,500,000	57,061	16.73%
4,750,000	60,221	16.73%
5,000,000	63,382	16.73%

Where do my rates go?

Explaining your rates

We set our rates based on the needs of the community, their demand for services and affordability in rates. Our rates revenue is split between targeted rates and general rates. The Council collected $322.0m (GST exclusive) of rates during 2019/20.

General rates are paid by all ratepayers and applied to services which benefit the whole community, for example, maintaining parks and walkways, operating our libraries, and renewing our roads and footpaths.

Targeted rates are paid by a specific group of ratepayers who receive a specific service – for example water, stormwater and wastewater services in rural areas, and business improvement districts (BIDs).

Whether you rent, own a home or a business in Wellington you'll be contributing to Council rates either directly or indirectly.

Your money helps us deliver more than 400 day-to-day services and pay for the borrowings used to fund big capital projects across Wellington.

What are rates for, and why are they important?

In the same way our taxes contribute to the running of the country, rates are important to ensure Wellington continues to function.

Some of the services and facilities that Wellingtonians receive through their rates include[5]:

- 81 million litres of drinkable water piped per day
- 671 km of stormwater pipes maintained and upgraded
- 1,048km of wastewater pipes maintained and upgraded
- 700km of footpaths maintained and upgraded
- 105 playgrounds maintained and upgraded
- 242,065 calls answered by our Contact Centre staff
- 800,000 resources in City Archives
- 101,234 native plants planted with the community
- 802,000 items can be borrowed from our 14 libraries
- 350km of walking and biking tracks maintained
- 202sqm of open space per Wellingtonian
- 14,500 LED streetlights operated

[5] Figures from Wellington City Council 2020/21 Annual Report

Your Councillors

Wellington City Council is made up of 14 Councillors and a Mayor. Along with all other local authorities in New Zealand, the Council is elected every three years. The Mayor is elected "at large", meaning by all the city's residents. The Councillors are elected by voters from their respective geographical areas (wards). The latest election was on October 12, 2019.

Mayor Andy Foster
Citywide

Elected: 1992 to Wharangi Onslow-Western Ward and Mayor in October 2019

Portfolio Leader: Spatial Plan and District Plan, Let's Get Wellington Moving, New funding tools (including central government funding)

Contact: 04 499 4444,
mayor@wcc.govt.nz

Deputy Mayor Sarah Free
Motukairangi Eastern Ward

Elected: 2013 and appointed Deputy Mayor in October 2019

Portfolio Leader: Governance, Associate Transport (Walking, Cycling, and Public Transport Infrastructure)

Contact: sarah.free@wcc.govt.nz

Absolutely Positively **Wellington** City Council
Me Heke Ki Pōneke

Councillor Diane Calvert
Wharangi Onslow-Western Ward

Elected: 2016

Portfolio Leader: Economic Development

Contact:
diane.calvert@wcc.govt.nz

Councillor Jenny Condie
Takapū Northern Ward

Elected: 2019

Portfolio Leader: Associate Transport (Parking, Roading, Safety, Traffic Resolutions)

Contact:
jenny.condie@wcc.govt.nz

Councillor Jill Day
Takapū Northern Ward

Elected: 2016

Portfolio Leader: Māori Partnerships, Associate Community Well-being (Children, Play spaces and programmes)

Contact:
jill.day@wcc.govt.nz

Councillor Fleur Fitzsimons
Paekawakawa Southern Ward

Elected: 2017 by-election

Portfolio Leader: Community Well-being (social housing and housing partnerships, libraries, public health)

Contact:
fleur.fitzsimons@wcc.govt.nz

Councillor Laurie Foon
Paekawakawa Southern Ward

Elected: 2019

Portfolio Leader: Waste Minimisation, Associate Economic Development (sustainable small business)

Contact:
laurie.foon@wcc.govt.nz

Councillor Rebecca Matthews
Wharangi Onslow-Western Ward

Elected: 2019

Portfolio Leader: Community Engagement (consultation, information, and engagement), Associate Community Well-being (living wage, disability, community services and centres)

Contact: rebecca.matthews@wcc.govt.nz

Councillor Teri O'Neill
Motukairangi Eastern Ward

Elected: 2019

Portfolio Leader: Natural Environment (parks, beaches and open spaces and conservation attractions), Associate Community Well-being (Homelessness)

Contact:
teri.oneill@wcc.govt.nz

Councillor Iona Pannett
Pukehīnau Lambton Ward

Elected: 2007

Portfolio Leader: Associate Urban Development (District Plan shared with Mayor, Te Ngākau Civic Square, CBD apartments resilience, insurance, weathertight buildings, building resilient heritage, consenting – one stop shop, place-making and community-led planning shared with Councillor Rush)

Contact
iona.pannett@wcc.govt.nz

Councillor Tamatha Paul
Pukehīnau Lambton Ward

Elected: 2019

Portfolio Leader: Climate Change, Associate Community Well-being (City Safety and Youth)

Contact:
tamatha.paul@wcc.govt.nz

Councillor Sean Rush
Motukairangi Eastern Ward

Elected: 2019

Portfolio Leader: Infrastructure (three waters), Associate Urban Development (place-making and community-led planning shared with Councillor Pannett, urban development agency, property, low carbon energy)

Contact:
sean.rush@wcc.govt.nz

Councillor Malcolm Sparrow
Takapū Northern Ward

Elected: 2013

Portfolio Leader: Associate Resilience (community resilience and emergency preparedness)

Contact:
malcolm.sparrow@wcc.govt.nz

Councillor Simon Woolf
Wharangi Onslow-Western Ward

Elected: 2013

Portfolio Leader: Sport and Recreation

Contact:
simon.woolf@wcc.govt.nz

Councillor Nicola Young
Pukehīnau Lambton Ward

Elected: 2013

Portfolio Leader: Arts, Culture and Events, Associate Urban Development (central city projects), Associate Economic Development (civic and global partnerships)

Contact:
nicola.young@wcc.govt.nz

Independent Auditor's Opinion

Submission form

Kōrero mai mō te mahere 10-tau
Have your say on Our 10-Year Plan

All submissions must be received by midnight Monday 10 May 2021

You don't have to give feedback on every decision – just choose the ones you're interested in. You can only submit once. You can include supporting information along with your submission.

Before you start, read about our big decisions and the other supporting information in this consultation document.

Why we're collecting this information

Your feedback matters. This plan is about the future of Wellington and it affects everyone who lives and works here. That's why we want to hear from as many people as possible. Your views will inform the next steps we take.

Privacy statement

All submissions (including names and contact details) are provided in their entirety to elected members. Submissions (including names but not contact details) will be made available to the public at our office and on our website.

Your personal information will also be used for the administration of the consultation process, including informing you of the outcome of the consultation.

All information collected will be held by Wellington City Council, 113 The Terrace, Wellington, with submitters having the right to access and correct personal information.

Full Name: ____________________

Contact details:

Address: ____________________

____

Phone number: ____________________

Are you making this submission as an individual or on behalf of an organisation?
☐ **Individual** ☐ **Organisation:** ____________________

What is your connection to Wellington? Tick all that apply					
I am a Wellington City Council ratepayer	☐	**I live in Wellington**	☐	**I work in Wellington**	☐
I own a business in Wellington	☐	**I study in Wellington**	☐	**I am a visitor to Wellington**	☐

Do you wish to speak to Councillors about your submission at an Oral Hearing or

Forum?			
Yes	☐	**No**	☐

If yes - We are offering two ways of speaking to Councillors about your submission. Please tick which option(s) you would prefer?	
Oral forum (informal, 60min facilitated table discussion with 2 to 3 Councillors and other submitters)	☐ **Morning**
	☐ **Afternoon**
	☐ **Evening**
Oral Hearing (formal hearing with set times to speak to full Council, 5mins per individual, 10mins per organisation)	☐ **Morning**
	☐ **Afternoon**
	☐ **Evening**

Question 1 – Proposed 10-year budget (See pg 9 for details)

Our draft budget, which includes the preferred options of this plan, has an average rates increase for the average ratepayer of 5.3 percent after growth across the 10 years of the plan. We also propose setting a rates limit across the first 3 years of the plan of $430m, and across years four to ten at $630m.

The first year of the plan has a rates increase of 13.5 percent (after growth) and there is an average of 9.9 percent (after growth) over the first three years. This is higher than previous plans because of the cost pressures described on pg 9, including earthquake strengthening, a growing and aging asset base and COVID-19 impacts. Therefore, we now require a step up in the level of rates we charge.

Our proposed plan and budget also represents our highest ever level of capital investment in Wellington. It addresses the need for increased investment in our three waters infrastructure and transport network and seismic strengthening of key buildings, along with making progress against all our other priority community objectives.

Our debt levels for this plan, including the value of uninsured assets, range from 134 percent to 239 percent of our annual income. Our proposed limit is 225 percent.

We think this is a sensible limit on our borrowing to ensure that the impact on affordability of rates is maintained and leaves enough 'headroom' to ensure we can repay our debt, and respond to expected but unfunded and unexpected future events and opportunities.

Do you support the proposed 10-year budget?

	I strongly support the proposed budget
	I somewhat support the proposed budget
	Neutral
	I somewhat oppose the proposed budget
	I strongly oppose the proposed budget
	Don't know

Question 1. a) – If you stated in Question 1 that you are neutral or do not support the proposed budget. Do you support increasing or decreasing spend?

	I support increasing spend in the current budget

	I support decreasing spend in the current budget
	I support keeping the budget the same but with some changes
	Don’t know

Our big decisions

The next eight questions relate to the big decisions outlined from pg 15 of this document. A comment box for you to provide more detailed feedback is included as Question 9. Submitters are also able to attach further supporting information to this form.

Question 2 – Investment in three waters infrastructure

There are three different levels of investment in the three waters network to consider. Our preferred level of investment is the **Enhanced** option, which focuses on improving the condition and reliability of the network in an affordable and sustainable way.

Problems with pipes have been a long time in the making and we cannot fix everything at once. The Enhanced option represents a $2.4b investment in our three waters network and is the middle-ground option that we are confident of being able to deliver in this plan. We will be able to review the level of investment in our next Long-term Plan review in 2024, when we will have more information on the network.

Read more about this option on pg 15

Which of these options do you prefer?

	Enhanced (Council’s preferred option)
	Maintain ($2.0b investment - lower rates and debt)
	Accelerated ($3.3b investment – higher rates and debt)
	None of these options
	Don’t know

Question 3 – Wastewater laterals

Currently residents are responsible for the maintenance of the pipes connecting their property to the wastewater (sewerage) main underneath the road corridor. These are called wastewater laterals.

We propose that the Council takes ownership of the laterals between the property boundary and the sewerage main underneath the road corridor.

Read more about this option on pg 19

Which of these options do you prefer?

	Take ownership (Council’s preferred option, $29m investment)
	No change (no change in investment, rates or debt)
	None of these options
	Don’t know

Question 4 – Cycleways

Cycleways is an area where we have ambition to seriously lift our game – we'd like to build a network of connected and safe cycleways that allow Wellingtonians to be able to choose cycling as a mode of transport. Our full programme for the network can be viewed at transportprojects.org.nz and if all of the routes were progressed, would be a $226m investment across the 10 years of this plan.

Our preferred option is a $45m or 60 percent increase in funding for cycleways than what was planned in the previous Long-Term Plan. It will progress $120m of the full $226m programme

We believe the high investment programme option balances the need for increased investment in this area with what is affordable for Council and what we will be able to deliver. It allows time in the programme for robust community engagement and to build capacity in the Council and the sector for the full programme to be eventually delivered.

Read more about this option on pg 20

Which of these options do you prefer?

	High investment programme (Council's preferred option, $120m investment)
	Finish started projects ($29m investment, lower debt and rates)
	Medium investment programme ($39m investment, lower debt and rates)
	Full investment programme ($226m investment, higher debt and rates)
	None of these options
	Don't know

Question 5 – Te Atakura First to Zero (Climate Change)

Te Atakura – First to Zero is our response to the climate and ecological emergency we declared in 2019 but it is not yet funded.

Te Atakura is intended to ensure sufficient activity is undertaken in this decade to reduce our emissions. Council can do this by supporting the transport mode-shift projects, as well as encouraging the uptake of electric cars, providing seed funding to leverage businesses and community impact and supporting residents to be motivated to take action.

Our preferred option is to fully fund Te Atakura, which is included in our 5.3% average increase across 10 years.

Read more about this option on pg 23

Which of these options do you prefer?

	Fully fund the programme (Council's preferred option, $29.9m investment)
	Low level of funding ($18.1m investment, lower rates and debt)
	Medium investment with savings ($25.4m investment, lower rates and debt)
	None of these options
	Don't know

Question 6 – Te Ngākau Civic Precinct – Council office buildings

Te Ngākau Civic Square is the musical, creative and democratic heart of Wellington but it has significant resilience challenges.

While we are still working through finalising the Framework for the Square, a specific decision is required in this Long-term Plan with respect to the future of the Council office buildings - the Municipal Office Building (MOB) and the Civic Administration Building (CAB).

As the two buildings are connected, and have similar resilience issues, it is important that the future of them is considered together.

Our preferred option is to demolish and rebuild the MOB and CAB buildings in partnership with private investment through a long-term ground lease for the site.

Combining a MOB and CAB development would enhance this opportunity and significantly decrease the need for additional Council borrowing and ratepayer funding to address these impaired buildings.

Read more about this option on pg 25

Which of these options do you prefer?

	Demolish and site developed through long-term lease (Council's preferred option)
	Proceed with base build proposal for public purposes
	Retain and seek to repurpose
	Sell to support development
	None of these options
	Don't know

Question 7 – Te Ngākau Civic Square Central Library

Wellington's much-loved Central Library was closed in March 2019 following an engineering assessment saying that the way the floor was designed presented a high level of potential failure in a significant earthquake.

After hearing from Wellingtonians in the 2020 consultation, Council agreed to recommend the high-level remediation option to be part of this plan. This option makes the building resilient to future shocks, and supports our ability to deliver an adaptable modern library service, while preserving the buildings heritage. It also allows us to mitigate some climate change impacts in the future.

Now there are choices about how to fund the $187.4m library remediation project, and when the project should take place.

The preferred option, includes the Council agreeing to temporarily breach its debt limit of 225% to ensure the library can be refurbished in the original timeframe and remain in public ownership. Our debt level will remain at 225%, and Council has agreed to accept the breach in the first three years of this plan. This breach will be mitigated by any capital underspend being used for the library project rather than on new projects. Our debt level will be back below our limit by year 4 – 2024/25.

Read more about this option on pg 28

Which of these options do you prefer?

	Strengthen now by temporarily exceeding debt limit (Council's preferred option)
	Council to strengthen Central Library later (complete in X instead of 2025)
	Strengthen now by increasing rates further (additional 3% rates increase)
	None of these options
	Don't know

Question 8 – Sludge and waste minimisation

One of the largest waste categories at the Southern Landfill is wastewater (sewage) sludge. This accounts for about a quarter of the waste that enters the landfill.

Through Te Atakura (our Zero Carbon Plan) and our Regional Waste Minimisation and Management Plan we have formally committed to reducing carbon emissions and reducing waste by a third. Minimising wastewater sludge is a necessary first step to achieving these objectives.

We need to break the link between the Southern Landfill and wastewater sludge and stop pumping sludge across the city, as 2020 highlighted the serious resilience issues and the significant consequences of failure.

Our preferred option is to invest in a sludge minimisation programme through another funding source. This means the project would not be funded by Council, but if it is funded through a Special Purpose Vehicle, a levy of about $70-$100 per year will be charged to each ratepayer.

Read more about this option on pg 30

Which of these options do you prefer?

	Sludge minimisation through alternate funding (Council's preferred option, $147m-$208m not funded by Council)
	No change in current practice (no change to investment, rates or debt)
	Invest in technology at Southern Landfill ($86m-$134m)
	Sludge minimisation – through Council funding ($147m-$208m investment, above debt limit)
	None of these options
	Don't know

Question 9 – Feedback on these decisions

Do you have any comments you would like to provide around why you selected your preferred option to any of these decisions, or why you don't support any of the options we proposed? If yes please indicate what decision/s you wish to provide comment on.

	Investment in three waters infrastructure
	Wastewater laterals
	Cycleways
	Te Atakura
	Central Library

	Sludge and waste minimisation
	Rates funding of WIAL dividend
	Te Ngākau funding for future work
	None of these

If this space is not adequate for your comments, please feel free to attach supporting information to the submission. Please be clear what decision you are commenting on.

Question 10 – Any other feedback

From pg 33 of this document we also outlined other decisions that are coming up in the coming years, but that we do not have enough information on at this stage for a detailed consultation.
We also have many other projects detailed in our Statements of Service Provision, and have made changes to some of our fees and user charges. More information on these are available on our website: https://wgtn.cc/ltp and available at our libraries and service centre.

Do you have any comments you would like to provide about the upcoming decisions, fees and user charges changes, other plans or any other general feedback on our 10-year plan and budget?

Thank you very much for your submission!

Summary of Significance and Engagement Policy for 2021 Long-term Plan

https://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies/significance-and-engagement-policy

The Council is required to have a Significance and Engagement Policy under Section 76AA of the Local Government Act 2002 (the Act).

The Act directs the council to use the policy to seek meaningful engagement with its community on local decision making. The Policy seeks and encourages genuine and informed engagement from the public on matters that is consistent with the perceived significance of the proposal, issue, or decision that the council is making.

The Council acknowledges that the levels of engagement with the public will vary depending on the significance value of the decision. Understanding this acknowledgement, the policy notes that the there are certain decisions that have a higher level of significance and as such require the use of the Special Consultative Procedure.

For all other decisions the Council is required to

- Identify the objective – what is being sought to be achieved and why?
- Identify all reasonably practicable options for achieving the objective
- Assess their advantages and disadvantages
- Design the decision-making and engagement process taking into account:
    - Sufficient knowledge of community views on the matter? If not, further engagement/consultation is appropriate
    - Significance

If the council has decided to consult, or is otherwise legally required to, ensure that consultation complies with consultation principles.

Consultation versus engagement

The policy outlines the Council's approach to public participation and its policy engagement. The Council uses the International Association of Public Participation (IAP2) spectrum and decision-orientation approach which indicates different engagement approaches on a spectrum from providing information through to community empowerment.

How does the Council engage?

The council works with a number of communities, as well as customers, stakeholders, citizens, ratepayers, subject matter experts and partners as part of its engagement process. It seeks to engage as part of a genuine dialogue with the diverse Wellington communities. The council also strives to work closely with and maintain strong working relationships with

- Mana whenua, iwi, and Māori organisations
- Community and business organisation

- Government and educations sectors
- Residents and ratepayers

The policy also ensures that engagement is able to take place in a number of varying ways in order to ensure accessibility and openness, to this end the policy lists the following channels that the council uses to have conversations with the community

Specific engagement with Māori

The Council and the policy acknowledge the unique status of Māori and the wider Māori community. Section 81 of the act ensures that the Council is committed to providing relevant information to inform Māori contribution and improve Māori access to the Council's engagement and decision-making processes.

The Policy ensures that the Council works with the city's two mana whenua iwi, The Port Nicholson Block Settlement Trust and Te Rūnanga o Toa Rangatira Incorporated to ensure that their contributions are represented, and their status is publicly recognised.

The Council recognises that early engagement with iwi is often the most effective – in particular for those decisions which have greater significance. The Council affirms its obligations to involving Māori in decision making processes as set down in the Act, which includes recognition of Te tiriti O Waitangi

Special Consultative Procedure

There are specific instances where the Council may be required to use the Special Consultive Procedure (SCP). The SCP requires the Council to prepare a Statement of proposal which is made publicly and widely available and allows for feedback via consultation for at least 1 month. The Council is required to ensure that people are given the opportunity to present their views through spoken interaction or using sign language.

There are a number of plans and processes that the council must use the SCP in its interaction with the public; these include:

- Adopting and amending the Long-Term Plan.
- Adopting, amendment, or revoking bylaws of significant interest to or impact on the public a (for all other bylaw matters the Council will consult following the principles in Section 82 of the Act).
- Adopting, amending, or revoking a Local Alcohol Policy; and
- Setting rates

Strategic Assets

Section 76AA (3) of the Act requires the Council to list assets that the Local authority consider as strategic assets, which are considered important to achieving the Council's community outcomes.

<u>Group or whole of asset approach</u>

The Council determines which assets it takes a *group* or *whole-of-asset approach* i.e. it means the group assets as a whole and not each individual asset within the group.

The Council in its policy lists its strategic assets in accordance with Section 76AA (3) of the Act and these can be found in section 8 of the policy.

3. Committee Reports

REPORT OF THE STRATEGY AND POLICY COMMITTEE MEETING OF 18 MARCH 2021

Members: Mayor Foster, Deputy Mayor Free (not present – apologies accepted), Councillor Calvert (Deputy Chair), Councillor Condie (not present – apologies accepted), Councillor Day (Chair), Councillor Fitzsimons, Councillor Foon, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Sparrow, Councillor Woolf, Councillor Young.

The Strategy and Policy Committee recommends:

REPORTING BACK ON PUBLIC CONSULTATION OF A NEW LEASE ON WELLINGTON TOWN BELT: WELLINGTON TENNIS INCORPORATED

Recommendation/s

That the Council:

1. Grant a new ground lease to Wellington Tennis Incorporated for a ten-year term with one renewal term of ten years and three subleases for Tennis Central Region Incorporated, Kaizen Academy Seido Karate and PlanitPro Limited each for a term of ten years with a right of renewal for another ten years. The land is legally described as Section 1 Survey Office Plan 474197 containing 1.5865 hectares more or less.

Website link to the Strategy and Policy Committee meeting agenda and minutes:
https://wellington.govt.nz/your-council/meetings/committees/strategy-and-policy-committee/2021/03/04

Attachments

Nil

4. Public Excluded

Recommendation

That the Council:

1. Pursuant to the provisions of the Local Government Official Information and Meetings Act 1987, exclude the public from the following part of the proceedings of this meeting namely:

General subject of the matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 Request to renew membership of District Licensing Committee list member and appoint additional list member	7(2)(a) The withholding of the information is necessary to protect the privacy of natural persons, including that of a deceased person.	s48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.

2. Review the public excluded status of item 4.1 Request to renew membership of District Licensing Committee list member and appoint additional list member for release to public once the appointment is confirmed.