

Mahere ā-Tau Annual Plan 2020/21



Directory

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Wāhanga 1 | Section 1

Working together in challenging times to create a vibrant capital city fit for the future.



We live in unprecedented times. On 25 March, our entire nation went into lockdown for over a month. At that time we did not know how long Covid restrictions would be in place for or how the pandemic would impact our country and our city.

Coming together - apart - as a 'team of 5 million', doing the right things, we broke the chain of Covid-19 transmission in our communities.

Now at Covid-19 alert level 1, there are no social restrictions, cafes have re-opened, live community and professional sport has returned and our creative communities are again showcasing their talents to real, live audiences. We are the envy of the world, much of which still cannot safely enjoy such freedoms. However, it is not business or life as usual. Covid-19 will continue to have health, economic and lifestyle impacts for many months to come. How substantial these impacts are will become clearer over the coming weeks and months. Obviously rock solid border management remains critical to maintaining all we have achieved.

As a Council we have identified five priorities for the year ahead and these form the heart of this 2020/21 Annual Plan. These priorities focus on what we need to achieve in the next 12 months so we can recover from the pandemic impacts and build back better.

First is **recovery**. During lockdown our focus was on supporting business, supporting employment, and working with social service agencies to help our most vulnerable. We will continue working closely with WellingtonNZ and our business, arts, culture and events communities on recovery actions, including an exciting events programme. It is all about jobs and confidence, and getting the heart of our city, our region, our nation, pumping again. We will continue strengthening

work on the St James Theatre, and our Town Hall, and construction of the new Convention and Exhibition Centre, as well as starting bookings for exhibitions and conferences. We will make a decision soon on the future of our Central Library.

The second is **Positively Wellington**. We are working together to develop new Economic and Arts and Culture Strategies and Action Plans. We will seek to polish our arts and culture crown. We will seek to make more of our unique economic strengths. We will seek to make more of being New Zealanders' capital city, build our sense of identity, and renew our Memoranda of Understanding with our iwi mana whenua partners.

Thirdly we will focus on **core infrastructure**. Wellington Water has recently completed repair works on the Mt Albert wastewater tunnel, Moa Point Interceptor, and Willis Street wastewater pipes. Major water pipe works are being completed in Wallace St, and construction will start on the 35 million litre Omāroro Reservoir to provide more resilient supply to the central city and southern and eastern suburbs. We have provided additional funding for condition assessment of our three waters network. The Mayoral Taskforce on water will feed its conclusions into a new Asset Management Plan in advance of next year's Long-term Plan. We will also work on retaining walls in Wadestown and the major slip in Ngaio Gorge.

Our fourth priority is **planning for a growing city**. While the short-term growth of the city has been impacted by Covid-19, the long-term projections still say that our population is expected to grow by 50,000 to 80,000 people in the next 30 years.

Our Planning for Growth programme will continue this year with the development of our spatial plan - how we will use our city in the future.

We will work with our Let's Get Wellington Moving partners to start delivering safer speed limits and walking, cycling and bus priority projects, as well as the business cases for mass transit and state highway upgrade work.

Last, but definitely not least, we need to **protect and restore the environment**. We are working to become a carbon zero city and mitigate the impacts of climate change. We will agree an Action Plan to deliver our Te Atakura (First to Zero) carbon zero strategy. We will continue our 30 year long environmental and biodiversity restoration journey and seek to protect important natural areas. We are also working on a limited extension to the Southern Landfill, alongside investigating waste collection alternatives, waste minimisation projects, and treatment of sewage sludge as an alternative to landfilling.

Finances

This year a key focus for the Council will be the review of our Long-term Plan covering at least the next ten years. This will outline our plans and our key priorities and focus areas. We will be talking to you more about this over the coming months.

Prior to the Covid-19 pandemic, Council already faced significant cost increases in 2020/21 to deliver existing services and to respond to earthquake and resilience issues. It is the third year of our 10-Year Plan 2018-28, which signalled a rates increase of 7.1 percent in 2020/21.

This increase excluded Let's Get Wellington Moving, and increased investment in our three water networks, Te Ngākau Civic Precinct, the new temporary central city libraries, and of course the financial impacts of Covid-19. This Annual Plan now includes all of the above projects, which meant a pre- Covid-19 rates increase of 9.2 percent.

Because of Covid-19, the Council lost a large portion of our normal revenue from fees and user charges, and our Wellington Airport dividend. Recognising this is indeed a rainy day, we will borrow to cover this lost revenue, instead of increasing rates.

However, we know that many people and businesses in Wellington have been financially impacted by Covid and that a 9.2 percent rates increase this year is unacceptable. Therefore along with borrowing to offset the COVID-19 impacts we have also made more than \$7.4m of cost savings and taken on more risk to keep rates as low as possible.

This year's 5.1 percent rates increase is a balance between reducing the immediate impact on ratepayers and not putting excessive pressure on future ratepayers. Rates help pay for many of the things Wellingtonians love about their city - open green spaces, clean beaches, libraries, recreation centres, as well as our core roading, water and social services.

Wellington is a community with a strong heart - we're a resilient city. We've overcome major issues in the past and we are winning this battle too, and building an even better capital city, fit for the future.

He waka eke noa -
We are all in this together

Andy Foster
Mayor

Barbara McKerron
Chief Executive



Background

Council Plans - an overview

The Local Government Act requires Council to produce a Long-term Plan (LTP). This sets out the budget for the next 10 years and is reviewed every three years. Our current LTP, Our 10-Year Plan 2018-28, was adopted in June 2018. In between producing LTPs, Council produces annual plans which are a review of our work programme, and consider whether any changes are needed. These changes could be budget revisions, new priorities that arise, or new projects to help deal with issues that face the city.

The Annual Plan 2020/21 represents and aims to deliver on the priorities set out in year three of Our 10-Year Plan. Our 10-Year Plan is available at wellington.govt.nz

Covid-19

Alongside the development of this Annual Plan, we also developed a Pandemic Response and Recovery Plan. The plan outlines several measures the Council has taken to support Wellington residents and businesses as a consequence of the impacts of COVID-19; including direct financial support, provision of wellbeing services, and economic recovery and support initiatives. Several of the initiatives in this Response and Recovery Plan are on-going. Further detail of the Pandemic Response and Recovery Plan can be found in **Appendix 1**.



Covid 19 may continue to change the way New Zealanders live, work and play.

Community feedback on the Annual Plan 2020/21

Engagement activities were carried out during May/June 2020 on our Annual Plan Consultation Document.

They were focused around an engagement website which outlined what was proposed and encouraged submitters to make a submission. We ran radio and press advertising, social media campaigns and an online virtual 'Wardinars' with Councillors.

The timing of 2020-21 Annual Plan consultation spanned levels three and two of the COVID-19 pandemic lockdown. As a result, in-person, face-to-face engagement channels and methods were not able to be used.

As a result the extent to which residents were aware, informed or engaged in the Annual Plan was initially significantly lower than in a 'business as usual' environment. This changed as the country settled into Level 2 and cases decreased, as indicated by growing website and virtual forum activity, increasing submission rates and organisations requesting oral hearings. We also received more than 200 submissions in the final weekend of the consultation, which was when New Zealand had reached zero active cases and a move to Level 1 was looking likely.

However, despite this constrained community engagement environment we received 313 submissions from individuals or organisations, more than 8,000 visits to our engagement website, and more than 10,000 views of online wardinars and Facebook videos. 58 submitters attended oral hearings.

What people said

The feedback sought was focused around five areas:

1. the overall approach to the annual plan budget
2. rates increase options for 2020/21 (5.1% - the preferred option and 2.3%)
3. Tupu Toa - the Council's pandemic response and recovery plan which included additional funding for a range of initiatives.
4. not changing the majority of Council fees and charges for 2020/21; and
5. increasing marina fees and Southern landfill fees to help fund polluter pays and waste reduction initiatives.

The feedback was:

- **Overall approach to the plan:** 70.7% somewhat agree or definitely agree; 20.7% somewhat disagree or definitely disagree with the overall approach to the plan
- **5.1% rates increase:** 67.9% somewhat agree or definitely agree; 25.2% somewhat disagree or definitely disagree with a 5.1% rates increase
- **2.3% rates increase:** 15.9% somewhat agree or definitely agree; 73.1% somewhat disagree or definitely disagree with a 2.3% rates increase
- **Tupu Toa build back better:** 75% definitely or somewhat support; 13.7% somewhat or definitely oppose the Tupu Toa initiatives

- **Holding the majority of Fees and charges at current levels:** 74.5% definitely or somewhat support; 12.3% somewhat or definitely oppose holding fees and charges; and
- **Increasing landfill fees:** 3.5% support and somewhat support; 16.5% somewhat disagree or definitely oppose increasing landfill fees to help fund 'polluter pays'.

Annual Plan 2020/21 – key changes from Our 10-Year Plan

This section outlines the main changes in Annual Plan 2020/21 from what was outlined in Our 10-Year Plan 2018-28.

Our changing city

Our 2018-2028 Long-term Plan (LTP) set out what we expected to deliver, how much it would cost and how it would be funded over that 10-year period. This Annual Plan is the third year of that plan, and the last before it is updated next year.

The LTP projected 2020/21 would have a total operating expenditure of \$559.1 million, and capital expenditure of \$261.8 million.

Since 2018, when we set our expectations for 2020/21 in the LTP, there have been several changes – the impact of COVID-19 is only one of these. Many of the other changes relate to earthquake and infrastructure resilience. Since 2018 Council has:

- Closed the Central Library and set up temporary services.
- Relocated more than 1,000 staff from Te Ngākau Civic Square to The Terrace.
- Included investment in our plans for Let's Get Wellington Moving in partnership with the Government and region.
- Started several large projects including the Town Hall and St James Theatre strengthening and the new Convention and Events Centre.
- Undertaken a revaluation of our infrastructure assets. Values have increased significantly reflecting the higher cost of replacing assets. This means an increase in rates-funded depreciation.

- Invested in staff, technology and systems so we can better meet the needs of our customers.

These changes and challenges have put extra pressure on our expenditure budgets. We are now also forecasting a revenue loss of about \$38m in 2020/21 as a result of Covid-19.

The impact of COVID-19

The full impact of the COVID-19 pandemic will not be fully known yet for some time, but it will change the way New Zealanders live, work and play. For the economy this is not just an impact on our business sustainability and Council's balance sheet, but also on people's jobs and their ability to pay their bills and feed their families.

At this stage many factors that allow us to plan for the long-term future of Wellington are extremely unpredictable. We don't know how long the impacts of the pandemic will last for or how long there will need to be a focus on city recovery. We also don't know how much more support will be provided by Central Government.

In addition to our Pandemic Response and Recovery Plan (Appendix 1), we are introducing a package of new initiatives called Tupu Toa: Build Back Better to support the economy, create jobs and ensure Wellington is more resilient to future challenges.

This package includes:

- a commitment to a business case for a resource recovery centre
- investment in the arts through the City Recovery Fund
- a \$150k increase in funding for Home Energy Audits to improve the energy performance of Wellington houses
- a commitment to progress a green infrastructure stormwater demonstration project
- continuing Council's commitment to our first-home builders rates remission
- an additional \$200k in funding for the protection of biodiversity through an expanded weed management programme
- Investigations of minor roading improvements that are designed to make walking safer, more child friendly, and more accessible.

More information on this package can be found in the relevant chapters in **Section 2: Our work in detail.**

Changes since 2020/21 Annual Plan consultation

Several cost pressures have arisen since consultation started that have been incorporated into this final Annual Plan. An equivalent value of further cost savings, acceptance of some additional risk and further borrowing have also been agreed in order to ensure that these additional pressures have not impacted the overall required level of rates funding for 2020/21.

Additional costs pressure

Additional cost pressures of \$10.3m were identified since consultation. Most significantly these include increased levels of depreciation given increased three waters infrastructure valuations (\$2.15m); and provisioning for additional forecast cash losses for CCOs as a consequence of pandemic related decreased trading and grant losses (\$2.6m).

Additional Capital spending

In addition, since consultation three additional capital expenditure requirements have been identified that will increase the capital programme by \$4.6m to \$299.1m. These are: Central Library remediation options \$2m; Karori Event Centre fitout \$1.2m; and Roothing projects (bringing forward lifelines road improvements) \$1.4m.

Increased Council cost savings

As a consequence, the level of cost savings in this Annual Plan has increased to \$7.4m from the \$3.2m included in the Consultation Document. Additional savings will be made through a range of efficiency measures including on Council travel, remuneration, contracts, ICT and asset capitalisation.

Increased risk

To manage cost pressures the Council has also taken on some additional risk in its level of insurance coverage. Council has secured \$421m of insurance cover of a possible \$623m target cover (approximately 67 percent). In simplified terms this is approximately equivalent to having cover for a 1 in 700 year event, against the strategy target of a

1 in 1,000 year event. The gap between the insurance cover and Council's share of the loss in a significant seismic event would be covered by borrowing.

Increased borrowing

Finally, the additional cost pressures will result in \$2.9m of additional borrowing to the consultation document forecast increased borrowings of \$172m.



We are looking at remediation options for the Central Library which was closed last year.

Financial summary

Operating Expenditure

Even without the COVID-19 pandemic the Council was facing significant cost increases in 2020/21 to deliver existing services and to respond to earthquake and resilience issues. These included setting up temporary library services after the closure of the Central Library. Higher asset values also meant that we needed to put aside more money to ensure crucial city infrastructure was maintained and replaced. The extra costs totalled \$54 million. If we didn't look to manage the funding impact of these cost increases it would have been equivalent to a 17 percent rates rise.

Therefore, alongside managing the impacts of COVID-19, we had reduced the impact on rates by setting an organisational savings target of \$7.4m and accepted a range of other budget risks. We also reviewed costs where the benefits will occur over several years and considered whether these be debt funded to take the pressure off 2020/21 rates. There is more detail on this in the Borrowing Position section.

COVID-19: The impact and response

Since the COVID-19 lockdown, we have had some minor cost reductions. These include energy costs and some of the operating expenses in our closed facilities, but generally Council still needs to pay the majority of the costs that maintain services in the city.

The crisis also has implications for each of our Council Controlled Organisations (CCOs). The primary and almost immediate impact was the collapse of third party external revenues. As many of our CCOs rely on Council funding to support the services they provide, including the Zoo, Wellington Museums, and Wellington Venues, we expect Council costs to increase to ensure they can thrive after COVID-19. We have made an extra \$5.0m provision in our 2020/21 budget for this.

The Council is trying to balance making cost savings with protecting the jobs of our staff and maintaining service levels. The Executive Team have taken a 10 percent pay cut for six months and a salary freeze for a year. All of the Elected Members chose to make donations to Wellington community organisations equivalent to 10 percent of their salary until the end of June 2020 to show their personal support for the city. This is in addition to extra Council

funding for community initiatives of \$1m in 2019/20 and \$500k in 2020/21. Government also passed legislation to enable the Remuneration Authority to directly reduce Councillor's pay and this has been applied to some WCC Councillors until January 2021. In addition to the \$7.4m savings target and budget risks already assumed, the CEO is undertaking a thorough review of Council costs to ensure all savings have been identified.

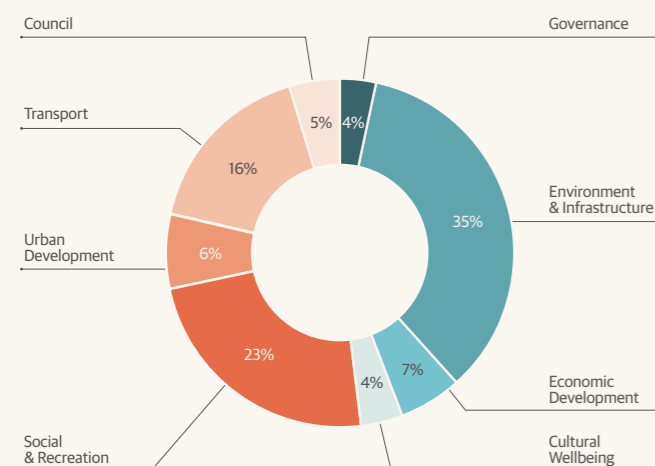
The budget

The cost of delivering and running Council services in 2020/21 is forecast to be \$594m or \$7.52 per resident per day. As mentioned this is a \$54m increase on last year, which primarily relates to increased depreciation due to new assets and a property revaluation, and inflation on contracts and personnel costs. We will be trying to reduce costs further to avoid additional rates pressure while we recover from COVID-19, but our plan also assumes we will not be reducing service levels. This presents a significant challenge as our budget already contains some risks and uncertainty around additional costs the Council we might incur as part of our COVID-19 Pandemic Response Plan

Operating spending for 2020/21

\$594m

Operating Expenditure (excluding Revenue)



The graph illustrates the proportion of planned operational expenditure in each of our strategic activity areas. Our Priority areas ensure we allocate spending based on what is important. The biggest area of organisational expenditure is Environment & Infrastructure at 35 percent of the total gross operating expenditure of \$594 million; Social and Recreation and Transport follow at 23 percent and 16 percent respectively; Economic development, Urban development, Council organisational projects, Arts and Culture, and Governance follow, each with under 10 percent of total operational expenditure.

Capital Expenditure

Capital expenditure is used to renew or upgrade existing assets or to build new assets to provide a higher level of service or account for growth. Our assets include buildings, roads and footpaths, water, stormwater and wastewater pipes, libraries, swimming pools, and sportsfields.

We have a significant capital expenditure programme in place, with \$259m originally planned for 2019/20 and \$299m for 2020/21. The 2020/21 programme includes significant investment in our water, stormwater, wastewater and transport networks, as well as multi-year projects to earthquake strengthen the Town Hall and St James Theatre, and the city's new Convention and Exhibition Centre. Prior to COVID-19, Council was forecasting that approximately \$42m of 2019/20 planned capex would not be delivered and the budget deferred to future years.

COVID-19: The impact and response

All of the physical works on Council's capital expenditure projects were put on hold as a result of COVID-19 alert Level 4. While work on many projects restarted under Level 3, we expect a further \$23m of planned 2019/20 capital expenditure to be deferred. There is also continued uncertainty on capital project delivery throughout 2020/21 because of the economic impacts of the pandemic. It is unlikely that we will be able to complete the \$65m of carry forward in expenditure on top of the significant capex programme already planned. We are assuming that a similar capex underspend (\$65m) will be deferred from 2020/21 into future years. This reduces the borrowing required for capex in 2019/20 and partly offsets the temporary increase in debt funding required to support the rates deferral proposal in Council's Pandemic Response Plan.

At this stage Council is not proposing to stop any capex projects currently planned for 2020/21. However, we may need to reconsider our work programme depending on the response to our submission to Central Government's request

for identification of 'shovel ready projects'. Most of the projects in our 2020/21 draft budget are already in progress and stopping them will incur costs rather than save money. We also think it is important that we continue to invest in Wellington to ensure jobs are retained and the city is fit for the future.

It's also important to note that we borrow to fund capital expenditure, so stopping capex projects will have little impact on 2020/21 rates. However, the Council will be reviewing and reprioritising projects as part of the 2021-31 Long-term Plan.

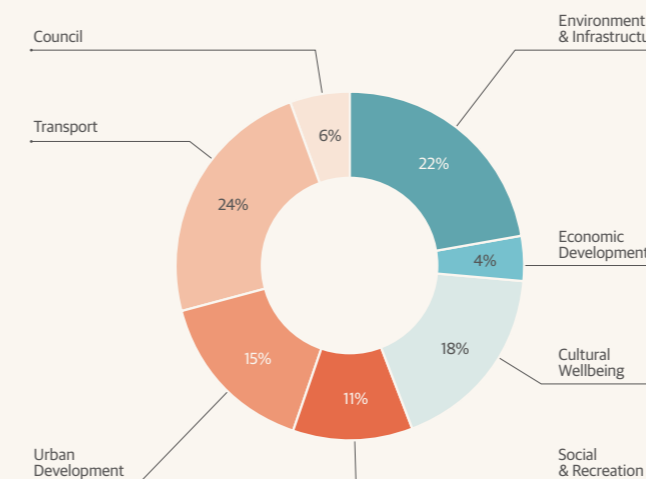
The budget

Total capital expenditure for 2020/21 is \$299m. This is a small increase from what was included in the 10-Year Plan. The variances primarily relate to the refinement of costs and timings on major building and water projects. For a more detailed explanation of the planned work programme please see the Key projects sections in Section 3: Strategy areas projects and programmes.

Capital spending for 2020/21

\$299m

Capital Expenditure



The graph illustrates the proportion of planned capital expenditure in each of our activity areas. Our Priority areas ensure we allocate spending based on what is important. The biggest area of capital expenditure is Transport at 24 percent of the total capex of \$295 million; Environment & Infrastructure, Arts and Culture, Urban Development, and Social and Recreation follow at 22 percent, 18 percent, 16 percent and 11 percent respectively; Council organisational projects, Economic development and Governance follow each with under 10 percent of total capital expenditure. Cultural Wellbeing and Urban Development are higher than usual this year, because of construction costs for the Town Hall and St James Theatre seismic strengthening, and the new Convention & Exhibition Centre.

Where the funding comes from

The Council uses a several mechanisms to fund our operational and capital expenditure. Rates are expected to fund 58 percent of our operational expenditure. We also collect revenue from fees and user charges, grants and government subsidies and other sources such as interest and dividends from investments. Capital expenditure is funded through borrowings, grants and government subsidies, and development contributions for projects that aim to meet the demands from growth.

Prior to the COVID-19 pandemic, Council was considering several increases to fees and charges to maintain the balance between how much is funded by users of some services and how much is funded by rates, as outlined in our Revenue and Financing Policy. We were expecting a total \$11m in increased revenue from fee increases, the most significant increases being in building consents, parking and landfill fees. As a result of COVID-19 the majority of these planned increases were cancelled.

COVID-19: The impact and response

The loss of non-rates operating revenue is the most significant financial impact facing Council as a result of COVID-19. Forecasts indicate that non-rates revenue will be down by \$20m in 2019/20 because of lost revenue from the closure or reduction of Council services during different COVID-19 alert levels. This will result in an operating deficit for the 2019/20 year, which Council will need to borrow to fund.

We are also budgeting for significantly lower revenue from fees and charges in 2020/21, we estimate this revenue will be \$38m below policy expectations. The general assumption is fees, charges and dividends revenue will be approximately 60 percent of predicted levels in July 2020, increasing to 100 percent by the end of October 2020. For some of our services we have modified this assumption based on more concrete evidential estimates.

Part of the loss of revenue results from cancelling the originally planned fee and user charges

increases. This will ease the impact on the community as we recover from the COVID-19 pandemic. We are also not expecting to receive a dividend from our shareholding in Wellington Airport in 2020/21.

Alongside the fees and user charges revenue, there is a risk to Council's lease and property revenue as a result of tenant hardship. A combination of short-term rent abatement and deferred payment of rents is proposed as part of the Council's Pandemic Response Plan.

The budget

Under the Council's current funding policies, an additional rates increase of 12% percent would be needed to offset the \$38m shortfall in non-rates revenue. This is clearly intolerable at this time. Therefore we will debt fund this loss of revenue instead of increasing rates. Total recurring non-rates operating revenue is forecast at \$153m.

Explaining our borrowing position

We borrow to fund upgrades to our assets or to invest in new infrastructure. We do this as it allows us to spread the cost of funding this expenditure over the multiple generations that will benefit from the investment.

Our policies also allow us to use debt to fund operating expenditure where the benefits are received over several years. This avoids ratepayers having to fund the whole cost in one year. We were due to start paying for costs for Let's Get Wellington Moving, temporary library services and additional water resilience in 2020/21, but have deferred this to keep the rates increase as low as possible - but it does mean the rates increase will be higher next year once we start rate funding these costs.

Due to the abnormal situation created by COVID-19 we are also planning a variation from our Revenue and Finance Policy and the balanced budget requirement this year. This means we are proposing to fund the gap caused by lower fee and user charges and dividend

income through borrowing. This is prudent so long as the revenue recovers in future years. But it does have to be paid for eventually, so we are planning to spread this cost over the following 10 years.

For 2020/21 total borrowings are forecast to increase by \$195m. Of this increase, \$111m is due to borrowing for capital expenditure (capital programme budget minus depreciation and repayments), \$42m due to debt funding of operating expenditure and \$42m of revenue losses and cash flow assistance to CCOs caused by the COVID-19 pandemic. Borrowing is forecast to be \$860m at the end of the year, this equates to 158 percent of our operating income compared to the Council imposed cap of 175 percent. This compares to \$849.4m forecast for June 2021 in our 2018-2028 Long-term Plan.

In Wellington the average household earns \$143,577 a year. Our debt is the equivalent of our average household having a mortgage of about \$227,000. By the end of the 2020/21 year, the average borrowing per resident is forecast to be \$3,970.

\$860m

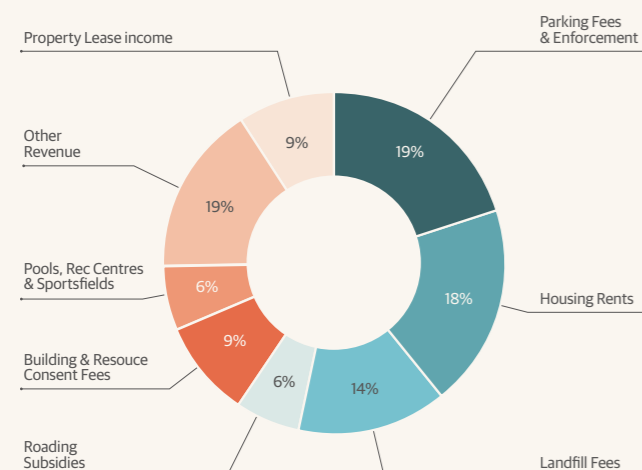
For 2020/21 total borrowings are forecast to be \$860 million at the end of 2020/21, this equates to 158 percent of operating income.

\$3,970

per resident

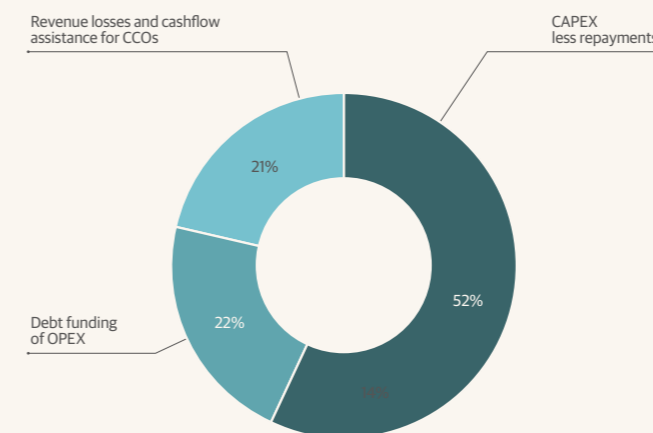
The forecast average borrowings per resident at the end of 2020/21 are \$3,970.

2020/21 sources of non-rates revenue to fund operating expenditure



This graph illustrates the non-rates revenue to fund operating expenditure. The biggest area of non-rates revenue is Parking fees and enforcement at 20 percent of the total non-rates revenue of \$153m; Housing rents, Other revenue, and Landfill fees follow at 19%, 17%, and 14% respectively; Property lease income, Building and Resource consent fees, Pools, rec centres and sportsfields and Roothing.

New borrowings 2020/21 Annual Plan



Explaining your rates

We set our rates based on the needs of the community, their demand for services and affordability in rates. This year our budget includes an average 5.1% rates increase after growth. This is below the 7.1% forecast in the 2018-28 Long-term Plan and the 9.2% signalled earlier this year.

Our rates revenue is split between targeted rates and general rates. The Council is planning to collect \$343 million (GST exclusive) of rates during 2020/21.

General rates

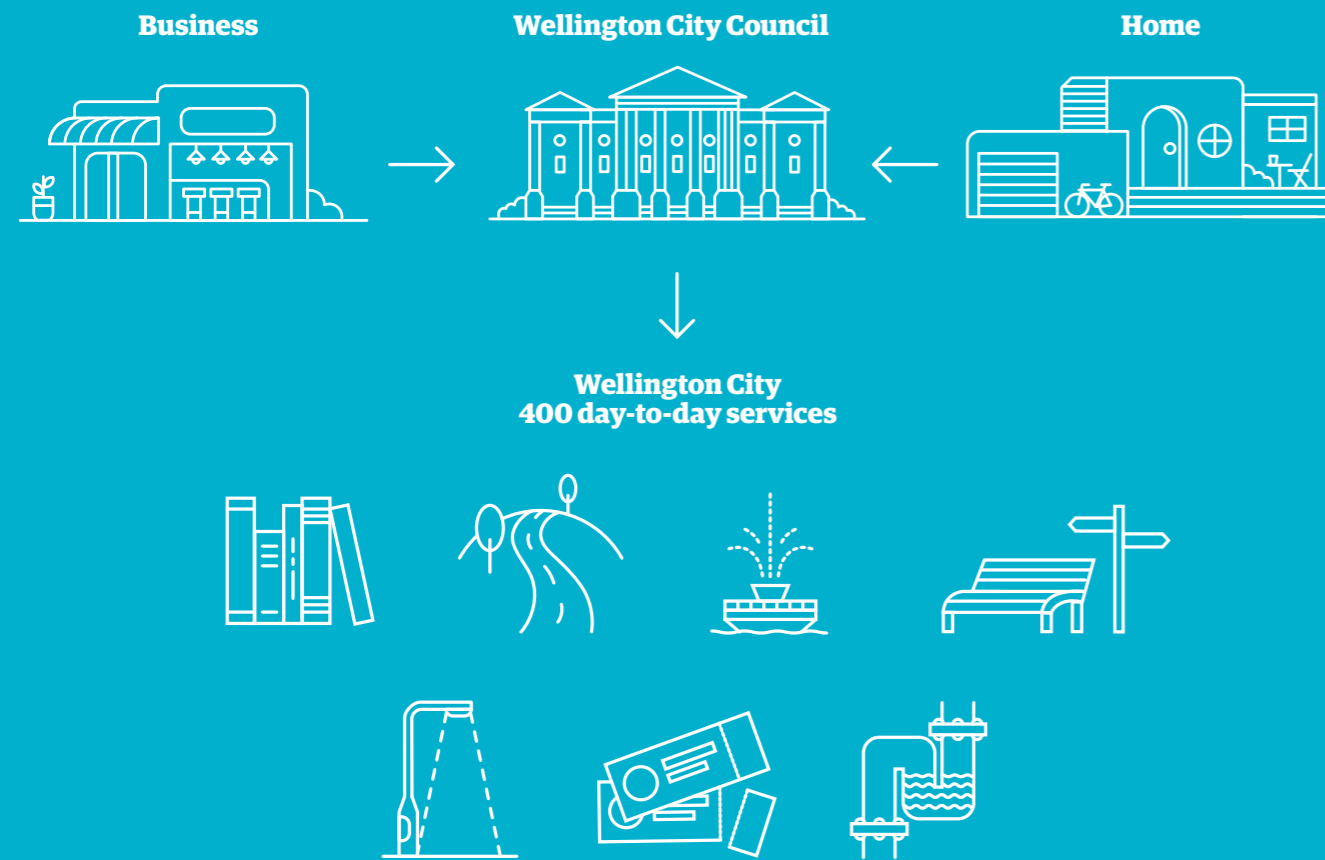
These are paid by all ratepayers and applied to services which benefit the whole community, for example, maintaining parks and walkways, operating our libraries, and renewing our roads and footpaths.

Targeted rates

These 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.




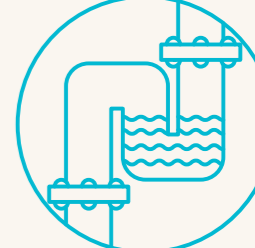








Your money helps us deliver more than 400 day-to-day services and also pay for the borrowings used to fund big capital projects across Wellington



What do I get for my rates, 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:

<p>81 million</p>  <p>litres of drinkable water piped per day</p>	<p>270,675</p>  <p>calls answered by our Contact Centre staff</p>	<p>105</p>  <p>playgrounds maintained and upgraded</p>	<p>671km</p>  <p>stormwater pipes maintained and upgraded</p>
<p>800,000</p>  <p>resources in City Archives</p>	<p>95,000</p>  <p>native plants planted with the community</p>	<p>1,048km</p>  <p>wastewater pipes maintained and upgraded</p>	<p>650,000</p>  <p>items can be borrowed from our 13 libraries</p>
<p>350km</p>  <p>walking and biking tracks maintained</p>	<p>700km</p>  <p>footpaths maintained and upgraded</p>	<p>14,500</p>  <p>LED street lights operated</p>	<p>195.1sqm</p>  <p>open space per Wellingtonian</p>

Our work in detail

Most of the work we do and the services we provide sit in seven strategic areas.

In this section we outline each strategic area, including an overview of the groups of activities, what's changing since we released Our 10-Year Plan, other key projects, performance information and what it costs. The Annual Plan 2020/21 focuses on changes to year three of Our 10-Year Plan, with some updates on other key projects.

For details of our 'Business-as-usual' services, see Our 10-Year Plan 2018-28 on our website, wellington.govt.nz

Our work is grouped into these seven activity areas:



Governance

We seek to build confidence in our decisions by being as transparent as possible, clearly communicating the reasons for the things we do and encouraging public participation in the decision-making process.



Economic development

We support Wellington's economic growth by supporting high-quality events and promoting tourism, attracting and supporting business activity, and delivering major economic development initiatives.



Transport

We manage, maintain and improve the city's transport network so that people can access places easily and safely. We look after hundreds of kilometres of city accessways, footpaths, cycleways and roads, including parking facilities, traffic signs and signals, street lighting and pedestrian crossings. Greater Wellington Regional Council (GWRC) is responsible for the public transport system. We support GWRC by maintaining and providing space on the road network for public transport to operate.



Social and recreation

We encourage active and healthy lifestyles, deliver quality recreation and social services, provide access to housing for those in need, and carry out public health functions.



Cultural wellbeing

We provide opportunities to develop the city's cultural scene and build engaged and curious communities. We provide support for galleries and museums, community arts and cultural support, and arts partnerships.



Environment & Infrastructure

The Council's environment portfolio is large and diverse, encompassing beaches and green spaces, waste reduction and energy conservation, as well as water services (drinking and tap water, wastewater and stormwater), and conservation activities



Urban development

We ensure the city remains liveable even as our population grows and challenges around seismic risk and climate change increase. We set urban policy, protect the city's unique character and heritage, provide building and development control and facilitation services, and mitigate earthquake risk.

Impact of Covid-19

Engagement and consultation on the developments and reviews of our policies, strategies and plans will continue in 2020/21. However, the timing of some engagements has changed because of the impact the lockdown had the preparation of the work and our ability to engage with the public. We will also build on our experiences of consultation during lockdown by continuing to make greater use of virtual and online channels where appropriate.

COVID-19 has also had an impact on the budget for the Governance area, as outlined below:

- Council has set a \$7.4m efficiency target for 2020/21 year.
- There will be a 10 percent reduction in salaries for the Executive Leadership Team for 6 months.

The above actions are in addition to financial support and rates and rent relief tools that are already in place to support Wellington businesses and households between now and the end of June.

Our work programme in 2020/21

In 2020/21 we will continue to operate our Governance services, which include working with our mana whenua partners, operating our Arapaki Service Centre and our call centre, supporting elected members and seeking public feedback through consultations.

Strategy and Policy work programme

Under our Governance area we work to ensure we have up-to-date bylaws, policies and strategies to help guide the city. This includes: management plans for our Outer Green Belt, South Coast, Parks & reserves and other Open Space; social policies for City Housing, Wellbeing, Libraries, Homelessness, and Dog Control; and transport strategies and policies for cycling, parking, walking and electric vehicles.

Many of our policies, plans, bylaws and strategies are legally required to be updated in a set time frame and we consult with the public when they are reviewed. This work is set through the committee forward programme, which is regularly reviewed by Councillors.

Policy work in 2020/21 will include, but not be limited to, developing a new Economic Strategy, an Arts and Culture Strategy, a review of the Dangerous and Insanitary Buildings policy, our approach to Footpath Management and Trading in Public Places, changes to the Traffic Bylaw to accommodate delegations from NZTA, an update of the Procurement Strategy, a review of our Gambling Venues Policy, and the regional waste management bylaw.

Mana whenua and Māori - he waka eke noa

This year we will review our memoranda of understanding with our mandated iwi mana whenua partners. It is intended that the updated MOUs will improve how we meet our legislative obligations under Te Tiriti o Waitangi, strengthen our partnerships and achieve mutual outcomes for the city.

The Council is in discussion with mana whenua partners about how best to build capability and capacity at a Governance and operational level, in order to improve how we work together.

In 2020/21 we will also work with iwi mana whenua entities and the Māori community to:

- Develop cultural landscape principles that will influence our place planning and city design outcomes;
- Continue to revitalise Te Reo Māori in our city and within council (Te Tauihu Te Reo Māori policy and action plan); and
- Reflect the aspirations of the Wellington Regional Māori Economic Strategy (Te Taurapa Māori Growth and Success Strategy - in development)
- Improve how we work together, through implementing agreed governance and operational initiatives

He waka eke noa - We are all in this together

City Archives

We also maintain our City Archives collection of more than 800,000 items as the primary information resource for the history of Wellington. In December 2019, we launched Archives Online, part of a wider programme to make Wellington City Council’s archives more accessible and to offer our services online. Anyone can now search online to discover what we have in our collections. Many of our digitised records are available for download and the public can request items to be digitised. The work to improve our archive services will continue in 2020/21.

What it costs

2020/21 Annual Plan	\$000
Operating expenditure	25,144
Capital expenditure	0

Rationale

1.1 Governance, information and engagement

- To facilitate democratic decision-making.
- To provide open access to information.

1.2 Māori and mana whenua partnerships

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

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for the two groups of activities. For details of individual performance measures and targets, see **Appendix 3: Detailed performance information.**

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz



This year we will review our Memorandums of Understanding with our mandated iwi mana whenua partners.

What we measure

- Facilitating democratic decision-making.
- Community engagement.
- Providing information and a point of contact.

- Relationship with mana whenua.
- Engaging Māori residents in decisions.
- Promoting Māori culture.

Activities

- 1.1.1 City governance and engagement.
- 1.1.2 Civic information.
- 1.1.3 City Archives.

- 1.2.1 Māori and mana whenua partnerships.



Te Taiao me te Hanganga Environment and infrastructure

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

The Council's environment portfolio is large and diverse, encompassing beaches and green spaces, waste reduction and energy conservation, as well as the three waters services (drinking and tap water, wastewater and stormwater) and support for our Wellington Zoo and Zealandia.

In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are six groups of activities in this section:

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

What we do - an overview

- Maintain more than walking and biking tracks
- Ensure the Botanic Gardens are cared for and maintained to a high standard
- Conserve the natives planted in Otari-Wilton's Bush

- Maintain 4,073 hectares of open green space including parks and sportsfields
- Through Wellington Water, provide clean and safe drinking water, and wastewater and stormwater services.
- Support Wellington Zoo and Zealandia in their conservation and visitor attraction work.
- Work to make Council facilities and services more energy efficient.
- Encourage waste minimisation and actively divert more than 15,000 tonnes of waste from the Southern Landfill.
- Operate the Tip Shop and Recycling Centre at Southern Landfill.
- Investigate, monitor and work to adapt to the effects of climate change.
- Help make the city more resilient and the environment more able to cope with shocks.
- Work to enhance Wellington's biodiversity, including extensive trapping with Predator Free and Capital Kiwi

Impact of COVID-19

The activities and work programme for this area is currently expected to continue as planned for 2020/21.

However, it is important to note that there are several large multi-year capital projects planned and there are a few factors that could impact these projects. These include that the construction sector is under stress due to the lockdown, and that the Government's stimulus package is likely to be heavily focused on short-to-medium term projects, so there will be some market disruption. Therefore the timing and costs for some capital projects may require further refinement during the year. In terms of the budget, a reduction in revenue is forecast for Zealandia and Wellington Zoo because of a forecast reduction in cruise ships and tourists for the 2020/21 summer and the consequential reduction

in overall visitor numbers at these visitor attractions. We plan to use borrowings in 2020/21 to offset foregone revenue.

Key projects

Three waters work programme
Wellington Water Limited (WWL), a Council Controlled Organisation, is accountable for operating and maintaining our water, wastewater and stormwater (three waters) networks and managing renewal and upgrade projects. Water infrastructure is a key area of focus for 2020/21 and the up-coming 2021-2031 Long Term Plan. A Mayoral Taskforce has been set up to better understand the state of Wellington's water network, and to provide a recommended action plan to help inform the 2021-31 Long-Term Plan.

Along with routine business, in 2020/21 Wellington Water's work programme will have a specific

focus on the planned new Omāroro reservoir and analysing options for sewage sludge minimisation. Options for sludge minimisation are due to be presented to Council in September 2020. Options will extend beyond wastewater to contemplate waste reduction impacts for the Southern Landfill.

We have heard loud and clear that Wellingtonians' attitudes towards the three waters area is shifting. Fresh water is more valued than before, it is no longer taken for granted and there is an expectation that wastewater will not be found in the sea or in streams. Stormwater is increasingly in focus as a changing climate delivers more intense rainfall, which tests the capacity of the stormwater system. While new infrastructure is sound, most of our infrastructure is more than 30 years old.

There is significant work to be undertaken. As a first step, we are reflecting these shifting priorities in this Annual Plan and providing WWL with additional funding:

- When a water leak is detected, WWL needs to be able to fix the leaks faster.
- Sewage in our streams and beaches needs to be reduced and eventually eliminated. WWL proposes to establish roving teams focussed on finding where sewage is escaping, and fixing it in order to improve the quality of urban waterways and the coastal environment.
- To undertake condition assessments of assets, so Wellington Water can better understand the state they are in, their expected life and then plan for optimal replacement and upgrade.
- To cover increased costs in wastewater treatment through contract escalation, as well as reflecting the actual cost of sewage sludge disposal at the landfill.

Tupu Toa: Build back better

Tupu Toa: Build Back Better is a whole of Council approach to building a stronger Wellington to meet current and future challenges. Initiatives include a commitment to a business case for a resource recovery centre, funding to improve the energy performance of Wellington houses, a commitment to a green infrastructure demonstration project and investment into the arts and our earthquake resilience.

Te Atakura - First to Zero

Tupu Toa is a practical example of how our goals set out in our

zero carbon plan Te Atakura are already shaping our activities and initiatives. In addition to continuing to adapt our existing activities to our goal of making Wellington a zero carbon capital, over 2020/21 an implementation plan for Te Atakura will be developed in time for the next Long Term Plan to lay the foundations for achieving our aspiration of a zero carbon city. As part of the development of Te Atakura - First to Zero's implementation plan, we intend to engage with the public through the LTP process around a package of initiatives to start cutting carbon emissions. The city has told us it is time to go zero carbon, we need to shift our focus to getting moving.

Waste diversion trial

Waste has become one of the major concerns of New Zealanders according to the Colmar Brunton 2020 Better Futures report. Yet sadly New Zealand is ranked 4th worst in the world as we generate at least twice as much waste per capita than developing countries according to OECD reporting. As the capital city of New Zealand we really must do better and commit to circular and sustainable solutions. Wellington City Council is committed to supporting Wellingtonians to reduce waste and reuse our resources as part of Te Atakura - first to zero. We currently do this through: providing a free kerbside recycling collection service; salvaging resources that are re-useable and selling them through our tip shop; and grants to help communities and organisations with waste reduction initiatives. Initiatives supported to date have included: Around the Bays plastic water bottle

elimination; Newtown Festival Wash Against Waste, Again Again coffee cups; The Sustainability Trust's Business Sustainability programme and Organic Wealth; Community Fridge in Aro Valley; Kiwi Community Assistance food rescue; Child Car Seat Recycling and many others.

Wellington City's Waste Operations team has several key areas in waste where we are looking to make substantial improvements. A key focus for this annual plan is investigating options for household food waste. Planning is well underway for a kitchen waste diversion trial, to be carried out in Miramar, which aims to minimise organic waste to landfill. The anticipated go-live date is October 2020, and the trial will include several options including a kerbside collection and enhanced home composting. The trial will run for 12 months with a budget of \$600k. Following the trial, we will present options to Council for further decision making.

Work on the business case for the transition of the landfill to a Resource Recovery park will be brought forward to the 2020/21 financial year as part of the Tupu Toa package and the outcomes will form part of the consideration for 2021-2031 LTP, including identifying immediate opportunities to increase revenue at the tip shop through further resource recovery and marketing opportunities. Funding of \$150,000 has already been earmarked in the Southern Landfill's Waste Levy Fund for this work. A further \$75,000 will be allocated for project management in 2020/21 to enable this work to take place.



Members of the Northern Community Gardens group.

The Wellington Region Waste Management and Minimisation Plan (RWMMP), a collaborative plan formed by 8 councils of the Wellington Region, identifies a range of actions to promote effective and efficient forms of waste management and minimisation. The plan has set a waste reduction target for the region to reduce the total quantity of waste sent to landfill by one-third over 10 years. The Sludge Minimisation Utilisation and Reclamation Facility will be a major enabler to achieving this goal.

Southern Landfill extension

Despite the waste minimisation initiatives outlined above, we are running out of room for Wellington’s waste, and we are in the process of applying for a landfill extension. We currently have approximately four years remaining in our existing stage of the Southern Landfill, and the new extension will be required by July 2023. A closure of the landfill

would result in waste and sludge being transported to other landfills. As part of the Southern Landfill proposed extension project, Council waste officers have consistently maintained that extending the Landfill is likely to be the most viable interim solution for waste management for Wellingtonians. They have investigated other options and sought feedback from the public on this assumption, which confirmed the extension option. Therefore the \$22.7m project is underway; with work progressing on the preparation for the resource consent application. The application is planned to be submitted by mid-2020. If resource consent is granted, Council has budgeted \$3.95m for the construction of the project in 2020/21.

Coastal renewals

We are continuing our programme of restoration, renewal and removal of coastal assets - this

includes boat ramps, marinas, and wharves. This year we will be completing the upgrade of Seatoun, Karaka and Cog Park wharves, which were delayed from 2019/20 while working through heritage considerations and compliance. We will also commence work on the marine structures in the Evans Bay Yacht Club area, including re-piling and strengthening jetties, and building a new seawall.

Wellington Zoo

Design work has started on the snow leopards enclosure and procurement planning is underway. Council’s investment budget is \$3.7 million, with the Zoo contributing a further \$875,000 toward this project which is planned to occur over the coming two financial years. The project is expected to be finished in 2022, and builds on the success of the zoo’s previous capital programme, which finished in 2016.

Zealandia

Tanglewood House: We will provide funding support to Zealandia to develop improved research and learning facilities and accommodation for staff. The improvements are expected to cost a total of \$2.3 million of capital expenditure. The Council’s contribution is \$800,000, with the remainder funded by Zealandia. The project has resource consent and is currently in the late stages of design, with construction expected to occur during 2020/21.

Rātā Café: Planning is advanced for improvements to Rātā Café at the Zealandia visitor centre to improve its year-round utilisation and to support the growing number of visitors to the sanctuary. Council has an estimated budget for the improvements of \$300,000.

In conjunction with the planned improvements at the Rātā Café, Zealandia is also improving the Pāteke Room to help to service the growing number of meetings and small conferences being hosted at Zealandia each year.

Zealandia will fund the planned improvements to the Pāteke Room, expected to cost \$120,000.

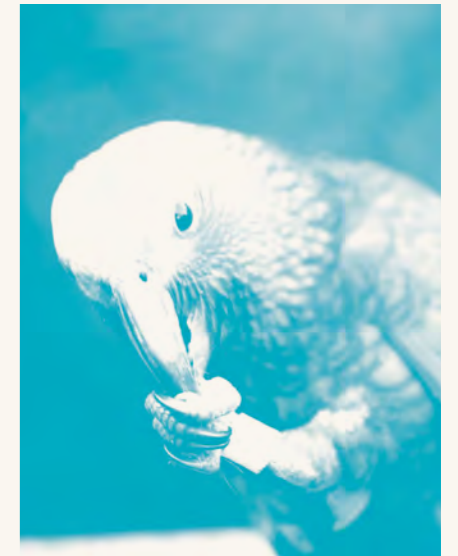
What it costs

2020/21 Annual Plan	\$000
Operating expenditure	\$205,244
Capital expenditure	\$64,872

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance information**.

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz



The kākā is one of Zealandia’s most visible and engaging birds,



Design work has started on the snow leopards enclosure at Wellington Zoo.

Rationale

2.1 Parks, beaches and open spaces

- To provide access to green open spaces.
- To provide public places to congregate.
- To provide access to recreational opportunities.
- To enhance biodiversity.

What we measure

- Utilisation.
- Attractiveness.
- Protecting and enhancing our biodiversity.
- Affordability.
- Community engagement.

Activities

- 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	What we measure	Activities
2.2 Waste reduction and energy conservation		
<ul style="list-style-type: none"> Reducing environmental impacts. 	<ul style="list-style-type: none"> Recycling. Affordability. Customer satisfaction. Sustainable landfill operation. Waste minimisation activities. Energy conservation. 	<ul style="list-style-type: none"> 2.2.1 Waste, minimisation, disposal and recycling. 2.2.2 Closed landfills aftercare. 2.2.3 Energy efficiency and conservation.
2.3 Water		
<ul style="list-style-type: none"> To increase security of potable and stored water. 	<ul style="list-style-type: none"> Clean and safe. Meeting customer expectations. Continuity of supply and resolution of faults. Efficiency and sustainability. 	<ul style="list-style-type: none"> 2.3.1 Water network. 2.3.2 Water collection and treatment.
2.4 Wastewater		
<ul style="list-style-type: none"> For public and environmental health. 	<ul style="list-style-type: none"> Compliance and sustainability. Meeting customer expectations. Continuity of service and resolution of faults. 	<ul style="list-style-type: none"> 2.4.1 Sewage collection and disposal. 2.4.2 Sewage treatment.
2.5 Stormwater		
<ul style="list-style-type: none"> To protect people, property and the environment from flooding and storm run-off. 	<ul style="list-style-type: none"> Continuity of service and resolution of faults. Meeting customer expectations. 	<ul style="list-style-type: none"> 2.5.1 Stormwater management.
2.6 Conservation attractions		
<ul style="list-style-type: none"> For conservation and biodiversity. To attract visitors. To protect flora and fauna. 	<ul style="list-style-type: none"> Wellington Zoo. Zealandia. 	<ul style="list-style-type: none"> 2.6.1 Conservation visitor attractions.

The city has told us it is time to go zero carbon, we need to shift our focus to getting moving.

Whanaketanga ōhanga Economic development



We want to grow and diversify the city's economy.

We support Wellington's economic growth by supporting high-quality events and promoting tourism, attracting and supporting business activity, and delivering major economic development initiatives.

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

In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There is one group of activities in this section:

3.1 City promotions and business support.

What we do - an overview

In collaboration with WellingtonNZ we:

- Promote visitor numbers to Wellington.
- Support high-quality events such as concerts, festivals and sports matches
- Promote Wellington as a tourist, conference and business destination.
- Encourage the business community to work together through our Business Improvement Districts.
- Operate venues and convention centres.
- Support large and small scale economic growth programmes through grant funding.

Impact of COVID-19

The full impact of COVID-19 on Wellington’s economy will not be known for some time. Many sectors are struggling, with tourism and hospitality in particular expected to be significantly impacted, with restrictions in international travel likely to remain for some time.

This will impact Council activities including our venues, convention market, and the city’s major events and festivals. We already know some major events will be cancelled for 2020, including the World of Wearable Art, whereas others will be postponed or simply delivered in a new way.

City Recovery

Council is working with key stakeholders on practical solutions to address recovery issues and challenges. Our approach around recovery will be holistic and encompass business support, but also the community, cultural, creative and innovative dynamics of the city.

City recovery includes a \$7.6m fund, which comes from the combining the uncommitted 2019/20 funding and the 2020/21 budgets of the City Growth, Destination Wellington and Capital of Culture funds. These funds will not be open for applications in 2020/21 except as part of the recovery fund.

Council has also identified shovel-ready capital projects for potential Government funding. These will be a way of supporting economic recovery. We will provide more information on how these will impact our 2020/21 work programme as the information becomes available.

WellingtonNZ continue to be focused on delivering the best support and outcomes for the Wellington region with a strong focus on the promotion of loving local, domestic tourism and events and ongoing Business support.

Council, alongside the other shareholder Infratil, will provide shareholder support to Wellington International Airport Limited as it deals with the impacts of COVID-19. The support is through the underwriting of a convertible equity type arrangement that will ensure that funding is able to be quickly accessed by Wellington Airport, if needed, and provides comfort to the company and its lenders that the shareholders are there and supporting it if necessary. The underwrite is on a pro-rata basis in line with the respective shareholdings.

Key projects in 2020/21

St James Theatre

The St James Theatre is an important building to Wellingtonians, playing a key role in their social and cultural lives as a leading venue for theatre, film, music and ballet for over a century. Seismic strengthening work is progressing to bring the St James Theatre up to a minimum of 67 percent NBS with a target completion date of 31 December 2021 - ahead of the 2022 New Zealand Festival. The COVID-19 shutdown has placed increased risk on this timeline. The budget for this project is \$34.06m. Of this, \$17.4m was originally budgeted in Our 10-Year Plan 2018-28, however this was based on concept designs. An intensive building survey and detailed structural design

revealed more complex seismic strengthening was required at an additional \$8.1m. A further \$8.6m has been budgeted to complete the recommended building and theatre system upgrades during the closure of the theatre. These funds were approved in 2018/19.

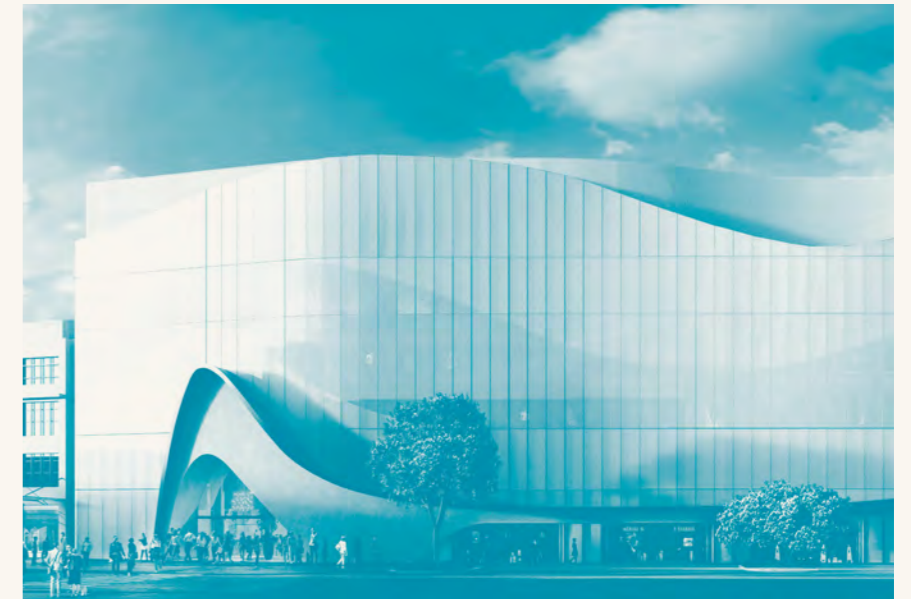
Convention and Exhibition Centre

The Wellington Convention and Exhibition Centre (WCEC) will be Wellington’s meeting place - a modern fit-for-purpose, sustainable 5-Green Star building fitting for our capital city and is due for completion in late 2022 (subject to COVID-19 related impacts). It will be the capital’s premium conference and exhibition space with two levels dedicated to hosting conferences, meetings, trade exhibitions and business events. In addition, the ground floor will have a public exhibition gallery to showcase leading touring exhibitions, attracting primarily domestic visitors and Wellingtonians alike. This level will also feature two cafés, a courtyard garden and a public concourse that links Cable Street and Wakefield Street.

This important development will enable Wellington to maintain and grow this important sector of the local economy providing a strong economic, cultural and social opportunity for Wellington. During the construction phase we expect to support a \$76.3m GDP return and 864 jobs in Wellington. Once operational, the building will contribute \$44.8m GDP p.a. and 554 jobs to our regional economy.

We also expect urban redevelopment of the surrounding precinct as this catalyst project

provides confidence to surrounding building owners to invest in their land and buildings. The total budget for this project is \$157.8m and construction work is advancing well with the structure already taking shape.



The Wellington Convention and Exhibition Centre.

What it costs

2020/21 Annual Plan	\$000
Operating expenditure	40,742
Capital expenditure	12,809 ¹

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance information**.

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz

Rationale

3.1 City promotions and business support

- To attract and retain talented residents.
- To grow tourism spend and economic returns from events.
- To grow inward investment and exports.
- To sustain city vibrancy.

What we measure

- Business improvement districts.
- Wellington Regional Economic Development Agency (WREDA) performance (12 measures).
- Wellington Regional Stadium Trust performance (6 measures)

Activities

- 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).

¹ This excludes capital expenditure for the convention and exhibition centre, the capex for this project is in the cultural wellbeing strategy area.

Oranga ahurea Cultural wellbeing



We want to grow and diversify the city's economy.

We provide opportunities to develop the city's cultural scene to build engaged and curious communities. We provide support for galleries and museums, community arts and cultural events, and arts partnerships. We develop and deliver a range of city events, and support community events.

We're investing in arts and culture to maintain our position nationally and internationally as a vibrant, edgy capital.

In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There is one group of activities in this section:

4.1 Arts and cultural activities.

What we do - an overview

- Maintaining the city art collection
- Planning and running an extensive programme of events throughout the year.
 - Matariki and Ahi Kā
 - Gardens' Magic
 - A Very Welly Christmas
 - Te Rā o Waitangi
 - Pasifika Festival
 - Sky Show
- Supporting new murals and public sculptures
- Fund cultural and art projects and performances
- Support national and regional arts organisations such as the Royal New Zealand Ballet, Footnote New Zealand Dance, the New Zealand Symphony Orchestra and Orchestra Wellington
- Operate the Toi Pōneke Art Centre
- Through the Wellington Museums Trust, operate six venues: Wellington Museum, Capital E, Cable Car Museum, Nairn Street Cottage, Space Place and City Gallery.

Impact of COVID-19

Many of the city’s arts organisations, arts practitioners and associated independent contractors have been impacted by the pandemic through loss of income and the uncertainty of the continuing impact. Council made some immediate changes in the first emergency phase and will continue to investigate new opportunities through the recovery phase in 2020/21. We will focus on resilience and maintaining the fabric of our arts and cultural sector infrastructure.

As one of our first changes, a new priority has been added to the Arts and Culture Fund. Through our arts and culture funding we will prioritise applications that can either: support the resilience, sustainability and recovery of organisations in Wellington City; re-frame and adapt projects, programmes and initiatives in the light of COVID-19; or develop new works to be presented later or to reach audiences in new ways.

The impact of COVID-19 on the events industry has been significant. Our focus is on supporting the sector through this extremely challenging time. Innovation, communication, information sharing and collaboration will be critical to the success of future events as we work to find alternative platforms to reach our audiences.

The events we support, whether they be arts, cultural, leisure, recreation, sports- they all play an incredibly important role in the good health of our diverse city communities. We will continue to work closely with our many suppliers, performers and artists, stakeholders, partners and communities, in a spirit of cooperation and collaboration to deliver our city events. We plan to use borrowings in 2020/21 to offset foregone revenue that may eventuate during the year.

Key projects in 2020/21

The activities and work programmes for museums and galleries are expected to continue as planned for 2020/21.

Some small local cultural and community festivals may take place, especially the ones planned for early 2021. However, larger cultural events like World of Wearable Art have cancelled for 2020. We are also expecting there to be few, if any, international tours from musicians, shows and artists in 2020.

Wellington Museum upgrade

In the 2018-28 Long Term Plan Council made provision of \$10m for the earthquake strengthening of the Bond Store, of which \$5m was allocated for 2020/21. While the building is being strengthened the Wellington Museum Trust are seeking to make several improvements to the Museum and particularly the ground floor to improve the visitor experience and enhance the way the Museum displays and tells the stories of Wellington’s rich history and connection with mana whenua. Initial planning and design work

has commenced and a final business case will be presented to Council before funding is confirmed.

The Council identified several qualifying ‘shovel-ready’ projects for the Government’s Infrastructure Industry Reference Group, including the Wellington Museum upgrade. Qualifying projects would cost \$10m or more and be ready for construction and could, if the Government deemed it appropriate, be deployed as part of a stimulatory package.

UNESCO City of Film Designation

In November 2019, Wellington was announced as a City of Film in the UNESCO Creative Cities Network. As the film sector and the independent contractors who make up much of the sector have been highly impacted by the COVID-19 pandemic, this programme is especially timely. We will be developing and delivering programmes to support new and diverse voices, to make connections across the globe with other cities in the film network, and to support the industry through the recovery period.

Growing and developing Matariki in Wellington

We will continue to develop the city’s offering for Matariki 2021, despite some change as a result of COVID-19. Cornerstone events such as Ahi Kā on the waterfront will be strengthened through our relationship with mana whenua and partnerships across the region.

Public art projects such as the Courtenay Place Lightboxes and Waituhi, which celebrate Māori visual arts in Wellington’s public spaces will also continue.

Our Art Gallery at Toi Pōneke, city libraries, and other wellington regional institutions will also continue programming content relevant to the themes of Matariki and we will support the promotion and development of these offerings to the wider Wellington community.

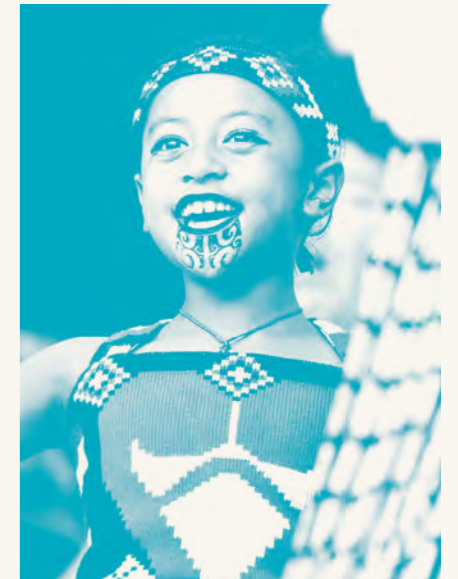
What it costs

2020/21 Annual Plan	\$000
Operating expenditure	21,449
Capital expenditure	52,669

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance information**.

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz



We will continue to develop the city’s offering for Matariki 2021.

Rationale

4.1 Arts and cultural activities

- For city vibrancy and cultural expression.
- To build and maintain a sense of place and identity.
- To grow visitation and exposure to creativity and innovation.

What we measure

- High quality events.
- Arts and cultural sector support.
- Funding success.
- CCO - Wellington Museums Trust performance (5 measures).

Activities

- 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.

² This includes capital expenditure for the convention and exhibition centre which is discussed in the economic development chapter.

Impact of COVID-19

The activities and work programme for this area is expected to continue as planned for 2020/21. As we moved out of lockdown we encouraged people to get out and about by providing discounted or free entry to some council recreation facilities for a period of time to encourage people to get active, outdoors and healthy.

Many sports codes and clubs use Council facilities and are charged rent. We provided a variety of rent relief or rent payment plans for 2019/20 and will explore with the affected organisations whether additional support is required through 2020/21.

Our community support functions were very active during the lockdown to help the city's most vulnerable. We are anticipating a higher level of support will be needed for 2020/21 in this area. We have budgeted an additional \$1.5million to go towards COVID-19 response related community grants, with \$1m agreed for the 2019/20

year, and an additional \$500,000 included in the 2020/21 Annual Plan.

Our public health and safety services are our regulatory functions and these will continue as required by legislation and Council bylaws. We provided rebates on some fees (alcohol, food, pavement licenses) to support the hospitality sector for the fourth quarter of 2019/20. We have also removed any planned fee increases from the budget for 2020/21.

We will use borrowings in 2020/21 to offset foregone revenue that may eventuate during the year.

Key projects in 2020/21

Interim CBD Library network

We closed the Central Library building to the public on 19 March 2019, following an engineering assessment which revealed specific building vulnerabilities, which may result in the building failing in a moderate to severe seismic earthquake.

Our response was to:

1. Re-establish library services in the central city through a new central city network of interim libraries.
2. Establish a collection and distribution centre, with the right climatic conditions, space, and good transport routes to house and manage the full Central Library collection and support network-wide operations.
3. Expand the availability of the digital collection, including streaming of content and e-books and video books.
4. Remove as many barriers to accessing the available library services and collections as possible. This included:
 - e. temporarily extending the opening hours of our branch libraries;
 - f. removing fees for returning items to other branches;
 - g. re-homing Wellington's rare book collection to the Wellington City Archives; and
 - h. temporarily reducing the fees for inter-loans from external libraries.

Two of the three new central city libraries opened to the public in 2019. Arapaki Manners Library and Service Centre opened on 28 May 2019 and He Matapihi Molesworth Library on 9 October 2019. The third and largest central city library, Te Awe Library, opened on 14 July 2020. The Collection and Distribution Centre (CDC) in Johnsonville also became operational in 2020. Te Awe and the CDC had their opening dates postponed due to the COVID-19 lockdown.

Through the new CBD network the public can access:

- approximately 350,000 items from the CDC which they will be able to order and collect from a library of their choice;
- more than 60,000 items in the CBD, either on display or on loan;
- popular programming and events, including Baby Rock 'n' Rhyme, Storytimes and Lego Sundays; and
- 1,900 m² across three new library spaces for people to use in place of the closed Central Library Building.
- Each CBD library provides a range of generic and specific services:
- Arapaki Manners Library provides access to popular and recent collections, free WiFi, public PCs, printing and some casual seating.
- He Matapihi Molesworth Library has collections with an Aotearoa and Pacific focus. It also offers a children's section, magazines, digital content, free WiFi, public PCs, printing and seating spaces.
- Te Awe has been specially designed to provide zones where people can read, study or collaborate. Families

have a dedicated space for a children's collection, family room and the popular Baby Rock 'n' Rhyme sessions.

- The Collection and Distribution Centre ensures the public are able to access the full collection. Customers can order items online or from a branch library, and choose which library they wish to collect their order from.

Restoring public access to collections and running the three new central city interim library services will increase the Libraries' operational costs. The additional cost for 2020/21 is \$4.5m.

We are currently working towards the consultation on the next steps for the Central Library building and a report on it is expected to be discussed by Councillors on 21 July. The proposed consultation will run from 27 July - 9 September, which will be followed by formal hearings at the end of September.

City Housing upgrades and rent-setting

The 20-year Housing Upgrade Programme is entering phase 2. Phase 1 involved the upgrade of more than half our portfolio of 2,000 units. Phase 2 planning is currently underway. It will look significantly different in that our tenants will be able to remain in their properties while the work is completed. Work was originally planned to start in 2023, however some components will be bought forward to 2020/21 to ensure our properties are compliant with the Healthy Homes Guarantee Act 2017. The Act requires all landlords to meet a set of standards that includes, insulation, heating, ventilation, draft stopping and drainage.

In March, Council approved consultation on proposed new rent settings. The consultation process was started but put on hold shortly thereafter as a result of COVID-19, then recommenced from 2-30 June.

Proposed changes to rent settings are aimed at creating a fairer system for charging rent and would help to enable us to continue to provide a good standard of social housing and support to our tenants for the foreseeable future.

Te Mahana: Ending Homelessness Strategy

As we move into recovery post COVID-19 the immediate emphasis will be to maintain the significant reduction in street homelessness in Wellington. We will work with our strategic and community partners to achieve this. This includes supporting transitional and Housing First initiatives. Our recovery planning has also identified gaps in the provision of supported and/or transitional housing for youth and the gender diverse community and this will be a focus for the Homelessness recovery work programme.

Sustainable Food Initiative

The initiative supports the social, environmental, and economic health of our city by creating a more sustainable and resilient food system in Wellington. We have developed an action plan which includes funding the delivery of food security efforts, supporting local food production, running sustainable food system events, facilitating the Wellington Community Gardens Network, funding sustainable agriculture education courses, and supporting Wellington's food entrepreneurs. This work will continue in 2020/21. Our Pandemic Recovery Plan



The third and largest central city library, Te Awe Library, opened in July 2020

identifies food security as a key component of the work programme over the next year and will have an emphasis on enhancing food security and access to healthy food.

Upgrade of Community Facilities

We are taking a community co-design approach to upgrades of the Kilbirnie, Aro Valley, Newtown and Strathmore community centres. There is \$4.90m budgeted over three years for these upgrades. For all four centre upgrades we have focused on ensuring the spaces are fit for purpose, flexible and accessible.

We have approved an additional \$1.22m to complete the fit out of the Karori Events Centre and we will work with the community and the Events Centre Trust to progress this. Once completed the building will be gifted to the Council. The project will be completed early in 2021.

Alex Moore Park Sport and Community Hub

Construction will ramp up on the new Alex Moore Sport and Community Hub in 2020/21. This \$4.2m project is a partnership between Alex Moore Parks Sport & Community Inc (AMPSCI) and the Council. Under the Partnership Agreement, AMPSCI is required to contribute \$2m of the \$4.2m budget and fundraising is underway. The building will be leased to the AMPSCI group and include facilities for the partner clubs and new changing rooms for the park. Construction timeframes have been affected by COVID-19, however construction was able to get underway in May 2020 with the aim to have the new facility open and operational in early 2021.

Newlands Community Park development

Construction for a new community park began in 2019/20 and will be completed this year subject to any COVID-19 construction delays. The park will have a new community playground, public toilets, a picnic area and an asphalt perimeter track. There will be new plantings including a wetland. We will also be upgrading the existing sportsfield pavilion. Council has a budget of \$3.6m for the upgrade, which includes \$1.54m of funding from the Plimmer Bequest Fund.

Frank Kitts Park

Subsequent to the resource consent being approved by the High Court, a tender process in 2019 for the Frank Kitts Park Children's Playground resulted in a cost estimate exceeding the budgeted amount in the Long-term Plan. This, together with the subsequent closure of the underground carpark and associated strengthening requirements, means the Council is further considering the wider Frank Kitts Park redevelopment. While this happens, Council has prioritised development of the children's playground and agreed to carry forward \$2m playground budget to enable work to get underway in the 2020/21 year. Decisions about the future of the wider redevelopment of Frank Kitts Park and the timing of funding will be made by the Council as part of the 2021-31 Long Term Plan process.

Cemeteries Management Plan

Work will begin on reviewing and updating the Cemeteries Management Plan for the Karori and Makara Cemeteries. This is a scheduled review of the plan and will include public engagement and consultation on the future

of Wellington's Cemeteries. More information will be detailed at the time of the review.

Keith Spry Pool renewals

Renewal work will be completed at Keith Spry Pool between September 2020 and June 2021. Work will be done on the ceiling and skylights above the main pool, and facilities at the northern end of the pool. The facility will remain open during this time, though some services will be closed at times due to restricted access and the works taking place. This includes the main pool being closed from mid-December 2020 through to the end of Term 1. At this time the other pools onsite will remain open and the groups using the main pool will be accommodated at other facilities including Thorndon Pool which will be open during this period.

Basin Reserve Master Plan

Redevelopment Programme: With the strengthening and restoration of the Museum Stand nearing completion, most of the main buildings and seating areas at the Basin Reserve have been upgraded and refurbished. The remaining projects that will complete the master plan, include refurbishing and upgrading the embankment toilets, improving the perimeter fence and entrances and developing a children's play area. Planning for these works is underway and construction will be completed during the off-season. The playing surface will also undergo a full refurbishment through the 2020 winter period. However, these works are dependent on safe working practices under the COVID-19 alert levels allowing the work to begin in late autumn/early winter.

What it costs

2020/21 Annual Plan	\$000
Operating expenditure	134,417
Capital expenditure	33,055

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance information**.

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz

Rationale

What we measure

Activities

5.1 Recreation promotion and support

- To encourage active and healthy lifestyles.
- To enable participation in sporting and other group activities.
- or social cohesion and connectedness.

- High quality experience.
- Utilisation.
- Affordability.
- City recreation promotion.
- Basin Reserve Trust performance (9 measures)

- 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.

5.2 Community Support

- To foster diverse and inclusive communities.
- To enable people to connect with information and with each other.

- Libraries experience, utilisation, amenity, and affordability.
- Community centres utilisation.
- Community advocacy.
- Funding success.
- Housing quality and usage.
- Housing upgrade project.

- 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.

5.3 Public health and safety

- To maintain health standards.
- To help people feel safe.

- Efficiency.
- Timeliness.
- Hygiene standard.

- 5.3.1 Burials 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).

Tāone tupu ora Urban development



We want to see our city thrive as it grows

Our work in this area includes enhancing CBD public space, making improvements to the waterfront and suburban centres, developing public spaces such as urban parks and squares, looking after heritage in the city, assessing and issuing building and resource consents, ensuring earthquake-prone buildings are strengthened, and planning for the city's development.

These activities matter to the lives of individual Wellingtonians and to the community as a whole. They enable the city to grow while retaining its unique sense of place and liveability. They also provide the opportunity for people to live, work and play in an urban environment that is attractive and sustainable.

In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are two groups of activities in this section:

- 6.1 Urban planning, heritage and public services development (including waterfront development).
- 6.2 Building and development control.

What we do - an overview

- Assess earthquake prone buildings and set times for strengthening work
- Plan for the future growth of the city
- Design and build upgrades to the city and suburbs, for example laneway and suburban centre beautification projects.
- Work to make Wellington more accessible.
- Enhance the CBD public space, urban parks and squares
- Support the preservation of the city's heritage buildings
- Develop and maintain the Wellington waterfront
- Undertake the regulatory functions for the built environment, including issuing Resource and Building Consents.

Impact of COVID-19

The activities and programme of work for urban development are broadly expected to continue as planned for 2020/21. The development of several plans - such as Planning for Growth - will continue although the approach to consultation has been adapted and timeframes for when it occurs has been shifted slightly to reflect the impact the COVID-19 lockdown had on preparation of some of the work.

In terms of capital projects, the construction sector faces some uncertainty from the impact of the lockdown and a planned stimulus package expected from Central Government, and therefore the timing and costs for some of Council's new capital projects may require further refinement during the year.

Key projects

Planning for Growth

The Planning for Growth programme involves the development of a 30-year spatial plan for the city and a full review of the District Plan, our 'rule book' for managing development in the City. The spatial plan will direct where and how growth will occur taking into account transport, infrastructure, the impacts of climate change, heritage, and our natural environment. The focus will be ensuring quality urban development in and around the central city, inner suburbs and key suburban centres. Consultation on a draft Spatial Plan will occur early in 2020/21.

Once finalised the spatial plan will be a key strategic tool for directing future investment, and will also provide significant direction for the review of the District Plan. This will likely mean changes to the existing zones and development controls relating to building heights, densities and open space. For more information visit: planningforgrowth.wellington.govt.nz.

Te Ngākau Civic Precinct

The future development of Te Ngākau – Civic Precinct has been under discussion for several years as a result of concerns about seismic resilience. In 2013, the Town Hall was closed to the public for earthquake strengthening. In 2016, the Kaikōura earthquake further highlighted seismic concerns with other buildings and structures in the Precinct. Since then, updates to building earthquake standards and concerns about building materials has changed the scope of work already underway and involved more buildings, the latest being the Central Library, which was closed on 19 March 2019.

On this basis, the Te Ngākau Programme has been established to develop options for the Precinct including identifying the best approach and scenarios to allow informed decision making over key assets such as the Central Library service and the Precinct as a whole, while also delivering the active projects underway in the Precinct eg National Music Centre. This programme encompasses not only the physical structures in the Precinct, but the way in which the space is utilised and the services that are provided for the benefit and enjoyment of the public.

Town Hall/National Centre for Music

The Town Hall upgrade is underway with seismic strengthening and redevelopment as approved by Council in February 2019. The work is technically challenging and good progress has been made on demolition, heritage management and restoration, and installation of some seismic strengthening. Major structural works will continue for a further three years. Initially the completion date is expected to be extended by two months or more, with higher costs than pre-COVID-19. Measures will be taken to reduce the effects of COVID-19 on the programme and cost and will be reported in the future. The benefits of a National Centre for Music are expected to remain unchanged with a significant building returned to full use, and an asset for the city to use and enjoy for many decades.

Earthquake strengthening of heritage buildings

Wellington has several earthquake-prone heritage-listed buildings. Wellington City Council has worked with building owners for many years to support the strengthening of these buildings. We currently allocate \$500,000 per year for this work.

North Kumutoto waterfront space

The final stage (Site 9) of development of the North Kumutoto waterfront space is finalising the planning phase and entering into developed design for the landscape. Resource consent for the deferred landscape works and the existing car park use (temporary) was approved in July 2019. Resource Consent for the subdivision was approved in mid-February 2020 followed by approval for the

development application in early March. Pre-COVID-19, construction was anticipated to start the second half of this year with an estimated duration of 16 months.

Laneway upgrades

Laneways are small streets that link through urban blocks, offering people shorter, more dynamic alternative routes through the city. They also provide necessary servicing access, bring light into potentially dark areas, frame views of nearby landscapes or landmarks, provide alternative connections to the crowded primary routes and sheltered routes in bad weather. Done well, such investment, in partnership with the private sector, can bring holistic benefits to the city's unique places, their

associated communities and local businesses. These benefits include: making pedestrian movements easier; strengthening identity of place through cultural and historic narratives; increasing social interaction opportunities; enhancing or connecting central area greenspaces; increasing the vibrancy and safety of urban life; supporting local businesses, and attracting future investment. This programme of upgrades will continue in 2020/21.

What it costs

2020/21 Annual Plan	\$000
Operating expenditure	38,306
Capital expenditure	46,582

Measuring our performance

We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance information**.

Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz

Rationale

What we measure

Activities

6.1 Urban planning, heritage and public spaces development

<ul style="list-style-type: none"> To enable smart growth/urban containment. For open public spaces. For character protection. 	<ul style="list-style-type: none"> High-quality development. Protecting heritage. 	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.

6.2 Building and development

<ul style="list-style-type: none"> To protect public health and safety. For resilience. 	<ul style="list-style-type: none"> Effective planning. Timeliness. Customer focus. Compliance. 	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).

Waka Transport



We want a safe, efficient, environmentally sustainable and reliable transport system

A good transport system should do more than just move people and goods efficiently. It should benefit people's overall quality of life, support economic productivity, help create healthy urban neighbourhoods that are people focused, and reduce the city's carbon emissions.

We're investing in transport options to maintain easy access in and around our city, promoting alternatives to private car usage, managing congestion and acting as a catalyst for urban renewal and sustainable growth.

In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are two groups of activities in this section:

7.1 Transport.

7.2 Parking.

What we do - an overview

- Partner with the region and NZTA on the future of transport in the city
- Work to make transport network more accessible and child friendly
- Maintain roads, footpaths, cyclepaths, bridges and retaining walls

- Upgrade and build new seawalls
- Operate, maintain and upgrade street lighting
- Build bus lanes, bus stops, and bus shelters
- Plan and build minor safety projects such as intersection improvements
- Respond to more than 30,000 customer enquiries and requests
- Trim vegetation on the roadside
- Clean Streets, remove graffiti and remove uncollected rubbish
- Install and maintain street signs, street furniture and road markings
- Provide safe crossing points and walking space for pedestrians
- Operate and maintain traffic signals and a network of CCTV cameras
- Own and operate Kiwi Point Quarry
- Provide traffic assessments to support encroachment, resource and building consent approvals
- Manage parking in the city
- Operate the Cable Car through a council-controlled organisation

Impact of COVID-19

The activities and work programme for transport were delayed as a result of the COVID-19 lockdown, but now construction has restarted, we are working to catch up on the backlog and build up to a busy start of the new financial year. Work will continue on the Cobham Drive and Evans Bay cycleways, Ngaio Gorge slope stabilisation as well as several minor safety projects such as the Hataitai intersection improvements and Rangiora footpath.

In the planning space, the Let's Get Wellington Moving programme of work had planned to consult on 'early wins' early in the new financial year but, due to COVID-19, the programme has been reconfigured. This is outlined in more detail in the section on this page. On street car parking revenue is expected to be impacted as many people will continue to work and shop from home or locally. We had originally proposed parking fee increases in this budget to limit the impact of cost increases on rates. As part of our COVID-19 response, we decided not to progress with these increases. Any losses in revenue for 2020/21 will be offset by borrowing.

Key projects in 2020/21

Let's Get Wellington Moving (LGWM)

LGWM is a joint initiative between Wellington City Council, Greater Wellington Regional Council, and Waka Kotahi NZ Transport Agency. LGWM is about working with the people of Wellington to develop a transport system that supports our aspirations for how the city looks, feels, and functions. It supports Wellington's growth while making it safer and easier to get around. Our focus is the area from Ngauranga Gorge to Miramar including the Wellington Urban Motorway, access to the port,

Partner	Expenditure type	2020/21
NZTA	Operating expenditure	\$21.4m
	Capital expenditure	\$19.2m
	Total	\$40.6m
Greater Wellington Regional Council	Operating expenditure	\$7.1m
	Total	\$7.1m
Wellington City Council	Operating expenditure	\$7.1m
	Capital expenditure	\$6.9m
	Total	\$14.1m

For the purposes of the 2020/21 Annual Plan, Council agreed that the funding of Wellington City Council's contribution to the LGWM programme will be funded through borrowing, with payments deferred for the 2020/21 year.

The operating expenditure will be used to complete investigations into next stage of the program across the five main areas: early delivery, city streets, mass rapid transit, strategic highway improvements and travel demand management. The capital

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. At the end of the 2019 calendar year, Council agreed the LGWM City Streets work package will deliver the joint WCC/GWRC bus priority action plan to expedite improvements and maximise funding opportunities, noting that this approach has been endorsed by the LGWM Board. The Council also agreed to the additional funding for the LGWM programme in 2020/21 as outlined below.

expenditure funding has been allocated to the early delivery and city streets areas to enable LGWM to begin programmes this year, subject to the outcomes of the business case investigations. This work will relate to walking, cycling and public transport improvement.

Find out more about the programme at lgwm.nz

Ngaio Gorge Slope Stabilisation

Major landslides occurred at two locations on Kaiwharawhara and Ngaio Gorge roads in July and September 2017. These two slips caused road closures for a considerable period of time until it was made safe for travel by temporarily managing the traffic and reducing the speed limit. The stabilisation works project comprises widening and realigning a section of road at the slip sites by the construction of three retaining walls, slope stabilisation to the two major landslides, building catch fences, and building a new car parking area for Trelissick Park users.

Construction works are expected to commence in mid-October 2020. The delay in construction start is due the environmental requirements to ensure we protect the lizard population. We had intended to fulfil this requirement in April, but due the COVID-19 lockdown, this has to be delayed until October. The long delay is because we cannot complete this during the colder winter months when the lizards are hibernating. Construction is expected to take 24 months.

Wadestown Route Resilience Enhancement

The Wadestown route has been identified as a key alternative route for emergency response, to the Wellington Urban Motorway between Thorndon and Johnsonville. The southern section of the Wadestown route also provides vital link from the suburbs of Wadestown, Wilton, and Crofton Downs to the city. It carries about 6,900 vehicles per day. There are two walls below Grant Road and two

other walls below Grosvenor Terrace which need to be strengthened. The Grant Road works started in January 2020 and, while delayed by COVID-19, should be completed in the first quarter of 2021.

Karori and Marsden Village Speed Limits

Since 2009, the Council has been rolling out 30kmh speed limits in suburban shopping centres across the city. We have to date completed 15 of these schemes out of a planned 21 (in addition to Council agreeing to 30kmh speed limits for the central city in June 2020). The schemes are designed to reduce vehicle speeds and crashes at locations where there are high concentrations of pedestrians crossing the street coupled with a high concentration of vehicular activity such as buses pulling into and out of stops. We are currently looking at whether there is merit in implementing such a scheme in central Karori and Marsden Village.

We propose including the change process to a 30kmh speed limit within a programme of Council initiatives planned for Karori. These will include public space enhancements in central Karori, redevelopment of the St John's site, and potential improvements for public transport and cycling along Karori Road.

Cycling masterplan

Over the next decade, Wellington City Council is partnering with NZTA and central government to deliver a fully connected cycle network throughout Wellington. By 2028 the cycle network is expected to see connections developed to the south through Newtown, Berhampore and Island

Bay; to the outer eastern suburbs, including Miramar, and Strathmore Park. This year work will continue on Evans Bay and Cobham Drive projects, and on developing the business case for the Southern Connections cycleway. This work will include the investigations on the Berhampore Village upgrade improvements following the engagement that occurred with the community during 2018. It will also enable the consideration of appropriate budgets to be allocated in the upcoming Long Term Plan.

Parking

It is expected that a new Parking Policy for the city will be adopted early in 2020/21. If adopted as proposed, new area-based parking plans will be developed for specific areas of the city to ensure joined up consideration of the use of on and off-street space for pedestrians, active and public transport and private vehicles. The plans would be developed in discussion with local communities. It is proposed that area-based parking plans and subsequent parking changes would be implemented in line with improvements in active and public transport identified through the Let's Get Wellington Moving programme.

What it costs

2020/21 Annual Plan	\$000
Operating expenditure	95,655
Capital expenditure	70,837

Measuring our performance

- We use performance measures to track how well we are delivering services against targets. The following represents the groups of measures we have for each group of activities. For details of individual performance measures and targets, see the **Appendix 3: Detailed performance** information.

- Our long-term plan also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, wellington.govt.nz

Rationale	What we measure	Activities
7.1 Transport network		
<ul style="list-style-type: none"> • So our transport networks are reliable. • To increase mode share and reduce emissions. • For road safety. 	<ul style="list-style-type: none"> • Network condition and maintenance. • Active modes promotion. • Network safety. • Network efficiency and congestion. • Public transport enablement. • Wellington Cable Car Limited performance (7 measures). 	<ul style="list-style-type: none"> 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.
7.2 Parking		
<ul style="list-style-type: none"> • To enable people to shop, work and access recreation activities. 	<ul style="list-style-type: none"> • Efficiency. • Equity. • Availability. 	<ul style="list-style-type: none"> 7.2.1 Parking.

We're investing in transport options to maintain easy access in and around our city, promoting alternatives to private care usage, managing congestion and acting as a catalyst for urban renewal and sustainable growth.

Wellington Museums Trust



The Wellington Museums Trust was established in 1995 and now trades as Experience Wellington. The Trust operates six visitor experience for the Council. These are Capital E, Space Place at Carter Observatory, City Gallery Wellington, Nairn Street Cottage, Wellington Museum and the Cable Car Museum.

Objectives	Activities	Performance measures
Experience Wellington operates six institutions on behalf of Wellington City Council. These are Capital E, Space Place at Carter Observatory, the City Gallery, Nairn Street Cottage, Wellington Museum (including the Plimmer's Ark display in the Old Bank Arcade) and the Cable Car Museum.	Deliver high-quality experiences, events and exhibitions at its facilities.	Visitation.
Experience Wellington aims to create artistic, cultural and scientific experiences that generate vitality and enrich Wellington city.	Manage conservation and care for its collections and artefacts.	Council support.
	Conduct research and development to enhance visitors' experiences.	Non-council revenue
	Offer education experiences to children and young people.	Satisfaction.
	Work with national and international artists and collectors.	

For performance measures and targets, please refer to the CCO Statement of Intent

Wellington Regional Economic Development Agency Ltd

WellingtonNZ

WellingtonNZ combines the economic development activities of Wellington City Council and Greater Wellington Regional Council into one organisation. Wellington City Council is an 80 percent shareholder.

The Wellington Regional Development Agency Ltd (trading as WellingtonNZ) supports economic performance across the region to enhance prosperity, vibrancy and liveability for the people who live and work in the region and attracts and promotes major events, and runs the Council's civic venues.

Underpinning WellingtonNZ is the Wellington Regional Strategy (WRS) and the Wellington Regional

Strategy Committee which is comprised of 10 members appointed by the Greater Wellington Regional Council.

These members are, one regional councillor, four members nominated by Wellington City Council, one member nominated by each of Kāpiti Coast District Council, Hutt City Council, Porirua City Council and Upper Hutt City Council, and one member nominated by the three Wairarapa district councils.

The WRS Committee implements and develops the Wellington Regional Strategy, including overseeing WellingtonNZ.

Objectives	Activities	Performance measures
WellingtonNZ markets Wellington as a destination for visitors, migrants and investors; it helps businesses grow and innovate; it advocates for Wellington's economy and attracts and promotes major events and runs our civic venues.	Markets and promotes Wellington as a destination for tourists, migrants, students, businesses and investors.	Direct value to shareholders
The WellingtonNZ teams work across regional development, destination and attraction; events and experience; and marketing and communications.	Helps businesses grow and innovate.	Shaping & amplifying the regional destination story
WellingtonNZ's vision for Wellington; to make the Wellington region wildly famous.	Advocates for Wellington's economy.	Supporting businesses to upskill and grow
Its programmes, projects and initiatives are designed to act as catalysts, helping Wellington to unlock more of its economic potential.	Attracts and promotes conferences, performances and major events.	Financial health
	Operates the civic venues	

For performance measures and targets, please refer to the CCO Statement of Intent

Wellington Zoo Trust



The Wellington Zoo Trust manages Wellington's Zoo, home to native and exotic animals, and is recognised for expertise in animal welfare, conservation, visitor experience and sustainability.

All trustees are appointed by the Council.

Objectives	Activities	Performance measures
The Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.	<p>Deliver learning sessions to children to grow their understanding of animals and the natural world.</p> <p>Partner with conservation organisations for at-risk species from New Zealand and around the world and to advocate for animals and save wildlife and wild places.</p> <p>Treat native animals at The Nest Te Kōhanga the Zoo's animal hospital and centre for wildlife health services.</p> <p>Care for resident animals and provide a high-quality visitor experiences.</p> <p>Participate in captive management breeding and breed-for-release programmes.</p> <p>Develop and maintain high-quality animal exhibits.</p> <p>Contribute to zoological, conservation and facilities management research projects.</p>	<p>Visitation</p> <p>Council support</p> <p>Non-council revenue</p> <p>Financial health</p> <p>Conservation, research and animal care</p> <p>Satisfaction</p>

For performance measures and targets, please refer to the CCO Statement of Intent

Basin Reserve Trust



The Basin Reserve Trust is responsible for the operation and management of Wellington's Basin Reserve.

The Trust has four trustees - two are appointed by the Council including the board chair, and two by Cricket Wellington.

Objectives	Activities	Performance measures
<p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.</p> <p>The overall vision is that the ground remains highly valued locally as a public reserve of unique character and is recognized as the premier International Cricket venue in New Zealand.</p> <p>The day to day operational activities are carried out by Cricket Wellington under a management agreement with the Trust.</p>	<p>Manage the Basin Reserve for recreational activities and the playing of cricket.</p> <p>Contribute to the events programme for Wellington.</p> <p>Preserve and enhance the heritage value of the Basin Reserve.</p> <p>Provide the home for the New Zealand Cricket Museum.</p> <p>Promote and coordinate fund raising to support the Trust's activities.</p>	<p>Utilisation</p> <p>Attendance</p> <p>Council support</p> <p>Non-council revenue</p>

For performance measures and targets, please refer to the CCO Statement of Intent

Karori Sanctuary Trust



The Karori Sanctuary Trust manages ongoing conservation and restoration work at Zealandia, works with local organisations and community groups to support local biodiversity, provides educational experiences, and connects people to New Zealand's unique natural heritage.

Objectives	Activities	Performance measures
To connect people with New Zealand's unique natural heritage, and inspire actions that transform how people live with nature in our cities, towns and beyond.	<p>Manage a 225ha conservation estate, home to dozens of native species</p> <p>promote conservation and advocate for New Zealand's native wildlife</p> <p>work with local groups to improve biodiversity across the Wellington region</p> <p>partner with leading educational institutions to facilitate world-class environmental research</p> <p>facilitate educational programmes and resources to thousands of young people around the Wellington region.</p>	<p>Visitation.</p> <p>Council support</p> <p>Non-council revenue</p> <p>Financial health</p> <p>Conservation</p> <p>Satisfaction.</p>

For performance measures and targets, please refer to the CCO Statement of Intent

Wellington Cable Car Limited



Wellington Cable Car Ltd owns and operates Wellington's iconic cable car, a funicular railway situated at the end of the Cable Car Lane, off Lambton Quay in the heart of Wellington city. The cable car provides a unique form of public transport from the city to the suburb of Kelburn.

The board of directors is appointed by the Council's Chief Executive and is comprised of Council officers.

Objectives	Activities	Performance measures
Wellington Cable Car Limited owns and operates the Cable Car.	<p>Maintain the cable cars and associated plant, the railway tracks, tunnels, bridges and buildings in accordance with best engineering practice, and to meet all legislative compliance.</p> <p>Market and manage the cable car passenger service.</p>	<p>Utilisation</p> <p>Revenues</p> <p>Satisfaction</p> <p>Reliability</p>

For performance measures and targets, please refer to the CCO Statement of Intent

Wellington Water



Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders.

The role of Wellington Water is to manage the drinking water, wastewater and stormwater services of its shareholder council owners.

The Wellington Water Committee provides overall leadership and direction for the company. A representative from each authority sits on the Committee.

Wellington Water Ltd is governed by a board of independent directors.

Objectives	Activities	Performance measures
<p>The role of Wellington Water is to manage the drinking water, wastewater and stormwater services of its shareholder council owners.</p> <p>Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders.</p>	<p>Provide high-quality, safe and environmentally sustainable services to shareholding councils and other customers with a focus on contracted service delivery for the operation, maintenance and ongoing development of drinking water, stormwater and wastewater assets and services, and asset management planning.</p>	<p>Provide a reliable water supply, wastewater and stormwater management service.</p> <p>Deliver budgeted capital expenditure projects for its shareholding councils.</p> <p>Deliver budgeted operating and maintenance activities for its shareholding councils.</p> <p>Comply with relevant standards, legislation and resource consents.</p>

For performance measures and targets, go to the Environment section of the detailed performance information. All measures under activities 2.3, 2.4 and 2.5 are Wellington Water measures, with the exception of the measure that reads 'residents (%) satisfied with the stormwater system', this is measured by WCC through the annual residents monitoring survey.

Wellington Regional Stadium Trust



The Trust owns, operates and manages the stadium.

The Trust's board of trustees is jointly appointed by Greater Wellington Regional Council and this Council.

The Trust is not a Council Controlled Organisation, for the purposes of the Local Government Act 2002. However, the interest that ratepayers have in the Trust and its activities is understood and accordingly the Trustees have agreed to be subject to the reporting requirements and monitoring procedures of both Councils.

Objectives	Activities	Performance measures
<p>The objectives as set out in the founding Trust Deed are:</p> <ul style="list-style-type: none"> To own, operate and maintain the Stadium as a high quality multi-purpose sporting and cultural venue; To provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region; and To administer the Trust's assets on a prudent commercial basis so that the Stadium is a successful, financially autonomous community asset. 	<p>Owns and operates the Stadium.</p> <p>Manages the event programme and seeks opportunities to provide a full and balanced event calendar.</p> <p>Ensures the Stadium is provided to the community for appropriate usage.</p> <p>Operates the Stadium on a prudent commercial basis.</p>	<p>Total revenue.</p> <p>Event revenue.</p> <p>Net surplus.</p> <p>Bank borrowing to total assets</p> <p>Capital expenditure.</p>

For performance measures and targets, please refer to the Trust.

Note: The Wellington Regional Stadium Trust is not formally defined as a CCO. This plan for its activities is presented to recognise the interest that Wellington City ratepayers have in the Trust and its activities.

Wāhanga 3 | Section 3

Financial information

Annual plan disclosure statement for year ending 30 June 2021

What is the purpose of this statement?

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

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

Benchmark	Activities	Planned	Met
1. Rates affordability benchmark			
• income	Quantified limit \$350m	\$342.7m	Yes
• increases	Quantified increase limit \$40.5m	\$18.1m increase	Yes
2. Debt affordability benchmark	Net closing debt over operating income 175%	158%	Yes
3. Balanced budget benchmark	100%	91%	No
4. Essential services benchmark	100%	139%	Yes
5. Debt servicing	10%	4.8%	Yes

Notes:

1. Rates affordability benchmark

(1) For this benchmark:

- the council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's long-term plan; and
- the council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term plan.

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

- its planned rates income for the year equals or is less than each quantified limit on rates; and
- its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2. Debt affordability benchmark

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

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

3. Balanced budget benchmark

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

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

In 2020/21 the planned operating revenue is budgeted at 91% of the planned operating expenditure. This is due to some of the planned operating expenditure being initially debt funded for 3 reasons; 1) to fund the loss of fees and user charge revenue due to the COVID-19 pandemic, 2) to fund the provision for forecast losses of CCOs due to reduced income from COVID-19, and 3) to fund operating expenditure that has a multi-year benefit, so that it can be repaid over the years of the benefit.

This benchmark does not take balance sheet funding into account, however we do have a balanced budget for operational funding as shown in the Explanation of Surplus/Deficit.

4 Essential services benchmark

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

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

5 Debt servicing benchmark

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

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

Ngā utu kaiwhakamahi

Fees and user 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) because this helps us determine how the service should be funded. The policy sets targets for each Council activity, determining what proportion should be funded from the user charges, general rates, targeted rates and other sources of income.

Because of the unusual circumstances arising from the COVID-19 pandemic only a limited number of increases are being made to fees and charges this year, as we want

to ensure we are doing all we can to help the residents and businesses to recover. We will fund this shortfall through borrowing. This isn't sustainable in the long-term, so there are likely to be larger fee increases in the 2021/22 year.

The areas where there will be some changes to fees and charges are:

- 2.2.1 Waste minimisation, disposal and recycling management.
- 5.1.7 Marinas

Activity 2.2.1 Waste minimisation, disposal and recycling management

Fee / Charge name	Current Fee (\$)	Proposed Fee (\$)	Movement (\$)
Commercial General Waste	128.00	138.00	10.00
Contaminated Soil	79.00	87.00	8.00
Domestic General Waste	160.00	170.00	10.00
Domestic Green Car + Trailer	141.80	152.00	10.20
Domestic Green Ute + Trailer	119.00	127.00	8.00
Domestic Car General Waste	160.00	170.00	10.00
Domestic Car + Green Trailer	77.50	81.00	3.50
Domestic General Car + Trailer	160.00	170.00	10.00
Domestic General Trailer	160.00	170.00	10.00
Domestic Ute / Van	160.00	170.00	10.00
Domestic Ute + Green Trailer	100.40	106.50	6.10
Domestic General Ute + Trailer	160.00	170.00	10.00
Wet sludge / screenings	44.40	230.00	185.60
Special Waste Type A - Asbestos	203.60	208.50	4.90
Special Waste Type D - Other	163.50	167.40	3.90
Sale of rubbish bags	2.50	2.75	0.25

Activity 5.1.7 Marinas

Fee / Charge name	Current Fee (\$)	Proposed Fee (\$)	Movement (\$)
Visitor Day	14.00	15.00	1.00
Visitor Month	300.00	307.00	7.00
Berth	2,865.00	2,928.00	63.00
Berth (Sea Rescue Jetty)	1,684.00	1,721.00	37.00
Boat Shed (8 to 11)	1,129.00	1,154.00	25.00
Boat Shed (1 to 7, 12 to 32)	2,254.00	2,304.00	50.00
Boat Shed (33 to 46)	3,375.00	3,449.00	74.00
Dinghy Locker	337.00	344.00	7.00
Live-Aboard fee	590.00	603.00	13.00
Trailer Park	128.00	131.00	3.00
Mooring	1,140.00	1,165.00	25.00
Boat Shed (2 to 13)	2,390.00	2,443.00	53.00
Boat Shed (14 to 27)	2,152.00	2,199.00	47.00
Boat Shed (28, 29)	2,987.00	3,053.00	66.00
Boat Shed (38B)	1,725.00	1,763.00	38.00
Boat Shed (38A to 42B, 48A, 48B)	2,477.00	2,531.00	54.00
Boat Shed (43A to 47B)	2,870.00	2,933.00	63.00
Dinghy Rack	200.00	204.00	4.00

Funding impact statements

Funding impact statement for whole of Council	2019/20 AP	2020/21 LTP	2020/21 AP	Notes
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	188,020	200,332	196,248	
Targeted rates	137,837	147,291	147,738	
Subsidies and grants for operating purposes	7,862	6,712	8,972	
Fees and charges	150,153	151,822	147,779	1
Interest and Dividends from investments	14,659	14,921	921	2
Local authorities fuel tax, fines, infringement fees, and other receipts	8,547	8,748	8,347	
Total operating funding (A)	507,078	529,826	510,004	
Applications of operating funding				
Payments to staff and suppliers	350,791	341,516	376,461	3
Finance costs	24,902	38,175	25,718	
Other operating funding applications	56,764	45,692	53,671	
Total applications of operating funding (B)	432,457	425,383	455,850	
Surplus (deficit) of operating funding (A - B)	74,621	104,443	54,153	
Sources of capital funding				
Subsidies and grants for capital expenditure	25,993	20,136	26,112	
Development and financial contributions	2,000	2,000	2,000	
Increase (decrease) in debt	138,419	133,196	233,417	4
Gross proceeds from sales of assets	13,000	9,500	2,000	
Lump sum contributions	0	0	0	
Total sources of capital funding (C)	179,411	164,832	263,529	
Applications of capital funding				
Capital expenditure				
to meet additional demand	1,078	2,044	7,641	
to improve the level of service	102,099	150,473	161,666	
to replace existing assets	137,275	109,331	129,823	
Increase (decrease) in reserves	13,580	7,427	18,551	
Increase (decrease) in investments	0	0	0	
Total applications of capital funding (D)	254,032	269,275	317,682	
Surplus (deficit) of capital funding (C-D)	(74,621)	(104,443)	(54,153)	
Funding balance ((A - B) + (C - D))	0	0	0	
Expenses for this activity grouping include the following depreciation/amortisation charge	124,573	133,748	137,869	

Notes

1. Fees and charges are expected to be lower than LTP and 2019/20 AP due to lost revenue from the impact of COVID-19.
2. Interest and dividends from investments are expected to be lower than LTP and 2019/20 AP due to the expected loss of the Wellington Airport Dividend.

3. Payments to staff and suppliers are expected to be higher than LTP and 2019/20 AP due to increased costs to deliver existing services and to respond to earthquake and resilience issues.
4. The increase in debt is due to borrowing for capital expenditure, deferred rates impacts and debt funding of forecasted revenue loss for 2020/21 as a result of COVID-19.

2020/21 Annual plan Funding Impact Statement - rating mechanisms

Rates

Rates are a property tax to fund local government activities. Rates are assessed under the Local Government (Rating) Act 2002 (the Act) on rating units in the Rating Information Database. Where rates requirements are allocated based on a rating unit's value, the rateable value will be the capital value as assessed by the Council's valuation services provider. The latest city-wide revaluation was carried out as at 1 September 2018. This revaluation remains effective for the 2020/21 rating year, except where subsequent maintenance valuations have been required under valuation rules or the Council's rating policies.

City-wide revaluations are performed every three years. The 1 September 2018 revaluation was effective for the 2019/20 rating year and the two consecutive rating years, 2020/21 and 2021/22 (subject again to subsequent maintenance valuations).

Policy objective:

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

General Rates

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

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

The general rate is set on a differential basis, based on the use to which the land is put and/or the zoning. All rating

units (or part thereof) will be classified for the purposes of general rates within one of the following differential rating categories.

Differential Rating Categories

Base Differential

The Base differential rating category shall be applied to the following rating units:

- a. Separately rateable land used for one or more household units; excluding those properties that provide short stay (28 days or less) commercial accommodation for which a tariff is charged
- b. Vacant land zoned residential
- c. Land used as farmland and lifestyle blocks which is included in the rural activity area in the District Plan Farmland is defined as land used exclusively or principally for agricultural, horticultural, pastoral or silvicultural purposes, or for the keeping of bees or poultry or other livestock but excluding commercial dog kennels or catteries.
- d. Separately rateable land occupied by a charitable organisation which is deemed by the Council to be used exclusively or principally for sporting, recreation or community purposes and that does not generate any private pecuniary benefit.

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

Commercial, Industrial and Business Differential

The Commercial, Industrial and Business differential rating category shall be applied to the following rating unit:

- e. Separately rateable land used for a commercial or industrial purpose
- f. Vacant land zoned commercial, industrial or business
- g. Land used for offices, administrative and/or associated functions
- h. Land used for commercial accommodation for which a tariff is charged and where the principal purpose is the provision of short stay (28 days or less) accommodation
- i. Business-related premises used principally for private pecuniary benefit
- j. Any rating unit not otherwise categorised within the Base Differential.

This category has a general rate differential rating factor of 3.25.

Differential Rating Category Conditions

Differential rating 3.25:1 Commercial, Industrial and Business: Base

- The differential apportionment for the Commercial, Industrial and Business differential is 3.25 times the rate per dollar of capital value payable by those properties incorporated under the Base differential.
- Where a rating unit has more than one land use the rating unit may be 'divided' so that each part may be differentially rated based on the land use of each part.
- A rating unit will be differentially rated where a division of the rating unit is established, based on the use to which the land is put and/or the zoning. A division will be established where:
 - a rating unit has a value of greater than \$800,000 or
 - the minority use(s) account for more than 30 percent of the total capital value of the rating unit

If neither of these criteria are met no division will take place, and the rating category will be established on the primary use of the rating unit.

- In any other case, the general rate differential is determined by principal use.
- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a building consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
 - a. The time at which the Council gives final approval of the completed works, or
 - b. The property is deemed (by the Council) to be available for its intended use.
- In situations where the change in land use does not require a Council consent, but warrants a change in differential rating category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.
- The differential rating category of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential rating category during a rating year will apply from 1 July of the following rating year.
- Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Act, will be first classified under the appropriate general rate differential classifications and the non-rateability applied to that rate.

Uniform Annual General Charge

The Council does not assess a uniform annual general charge.

Non-rateable Land

Non-Rateable

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

50 Percent Non-Rateable

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

Targeted Rates

Targeted rates are set under section 16, 17, 18 and 19, and schedules 2 and 3 of the Act.

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

The differential rating categories described above are unitised and referred to in a number of targeted rates.

Sewerage Targeted Rate

Targeted sewerage rates are to be apportioned 60 percent:40 percent of rates between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate is set to pay for the cost of the provision and maintenance of the sewage collection and disposal network, and sewage treatment facilities for the city.

This rate is assessed on all rating units connected to the public sewerage drain.

For the purposes of these rates the sewage collection, and disposal and treatment service is treated as being provided to a rating unit if the rating unit is connected to a public sewerage drain (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Act.

Sewerage targeted rate is calculated as follows:

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

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

For rating units incorporated in the Base differential rating category:

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

Water Targeted Rate

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

This rate is set to pay for the provision and maintenance of water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is assessed on all rating units connected to the public water supply.

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

Water targeted rate is calculated as follows:

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

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

or

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

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

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

or

- d. A fixed amount per annum per rating unit, plus a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed.

Stormwater Targeted Rate

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

This rate is set to pay for the provision and maintenance of the stormwater collection/disposal network for the city.

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

Stormwater targeted rate is calculated as follows:

For the Commercial, Industrial and Business differential rating category:

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

For the Base differential rating category:

A rate per dollar of rateable capital value to collect 7.5 percent of the required rates funding.

Base Sector Targeted Rate

This rate is set to pay for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category.

This incorporates the following activities:

- 100 percent of the facilitation of cultural grants, facilitation of recreation partnerships and community advocacy activities.
- 95 percent of the provision of community centres and halls activities.

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

Commercial Sector Targeted Rate

This rate is set to pay for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated in the Commercial, Industrial and Business differential rating category.

This incorporates the following activity:

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

This rate is assessed on all properties incorporated in the Commercial, Industrial and Business differential rating category and is calculated on a rate per dollar of rateable capital value.

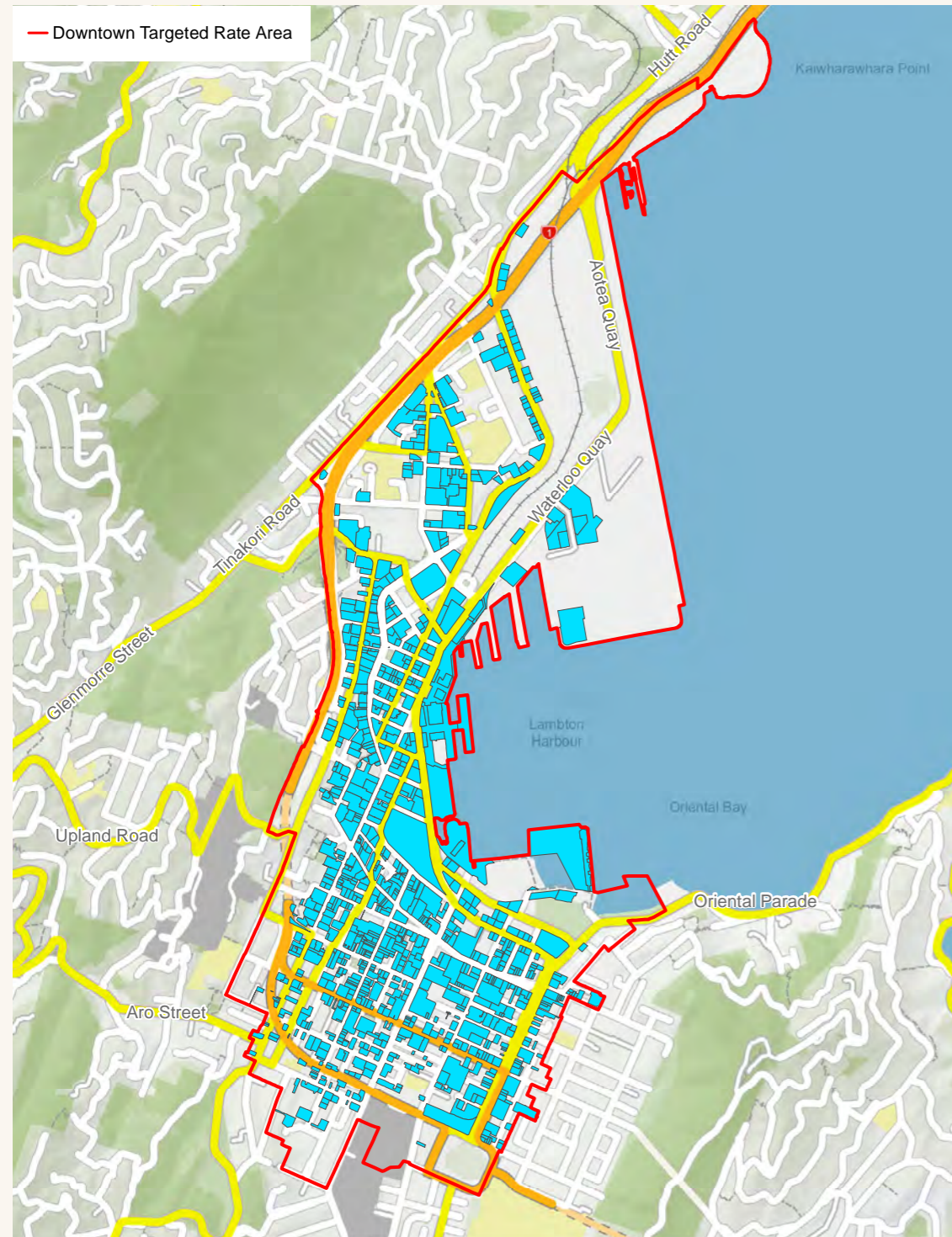
Downtown Targeted Rate

This rate is set to pay for tourism promotion.

This incorporates the following activities:

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

This rate is assessed on all properties incorporated in the Commercial, Industrial and Business differential rating category in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purposes of this rate, the downtown area refers to the area as described by the Downtown Area map as follows:



Tawa Driveways Targeted Rate

This rate is set to pay for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council.

This rate is assessed on a specific group of rating units that have shared access driveway that are maintained by Council in the former Tawa Borough.

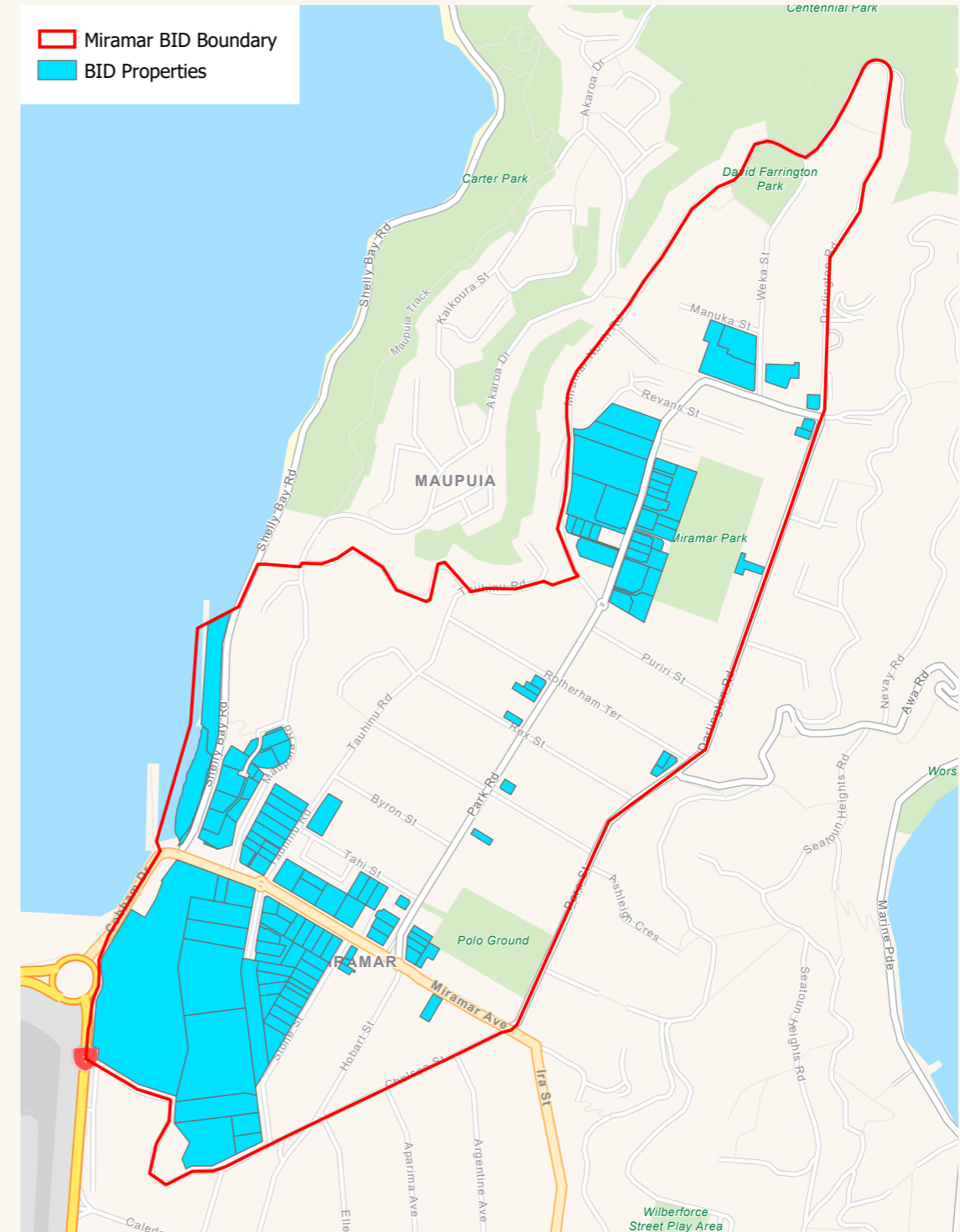
The rate is calculated at a fixed amount per annum per rating unit.

Miramar Business Improvement District Targeted Rate

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

This rate is set is on all rating units within the Miramar Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.

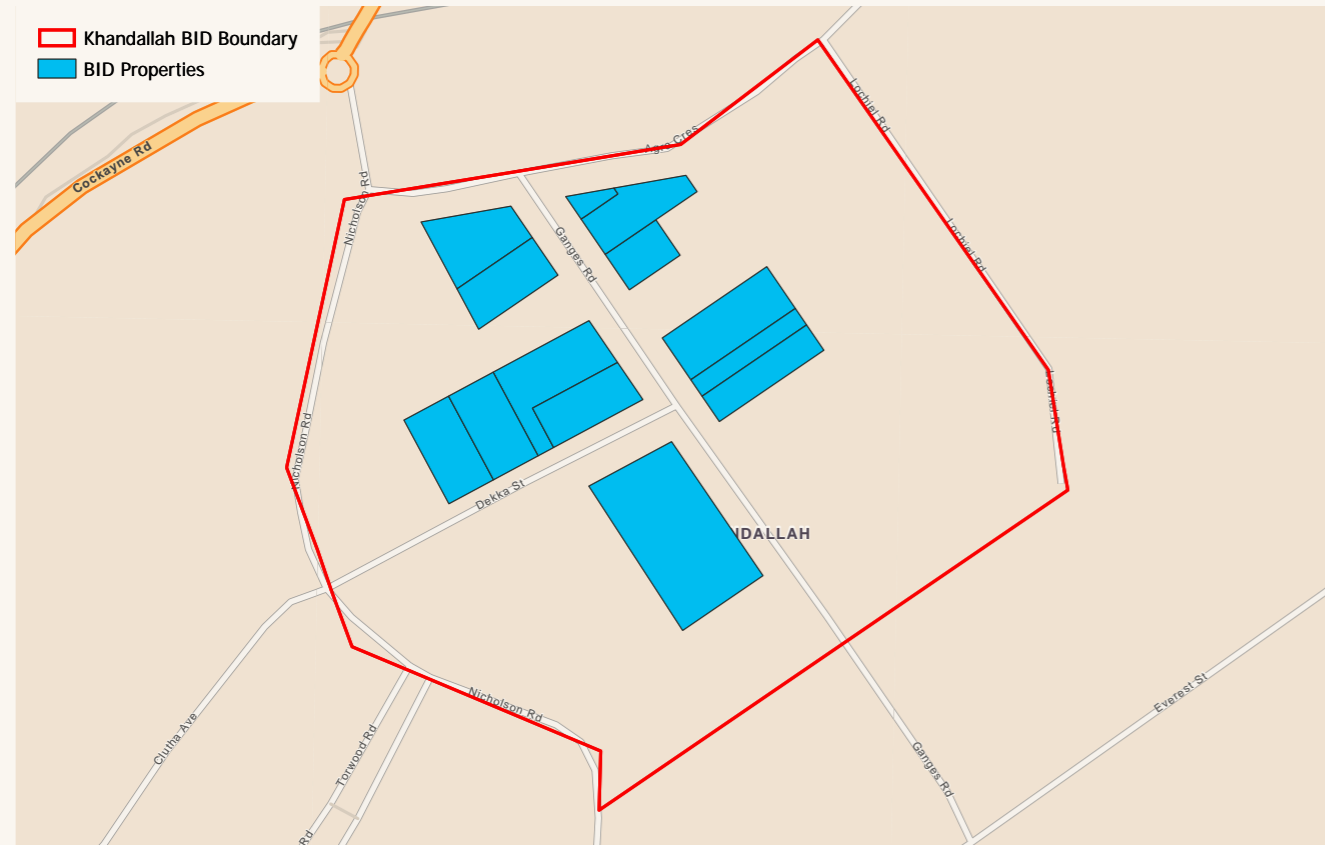


Khandallah Business Improvement District Targeted Rate

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

This rate is assessed on all rating units within the Khandallah Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a rate per dollar of rateable capital value.

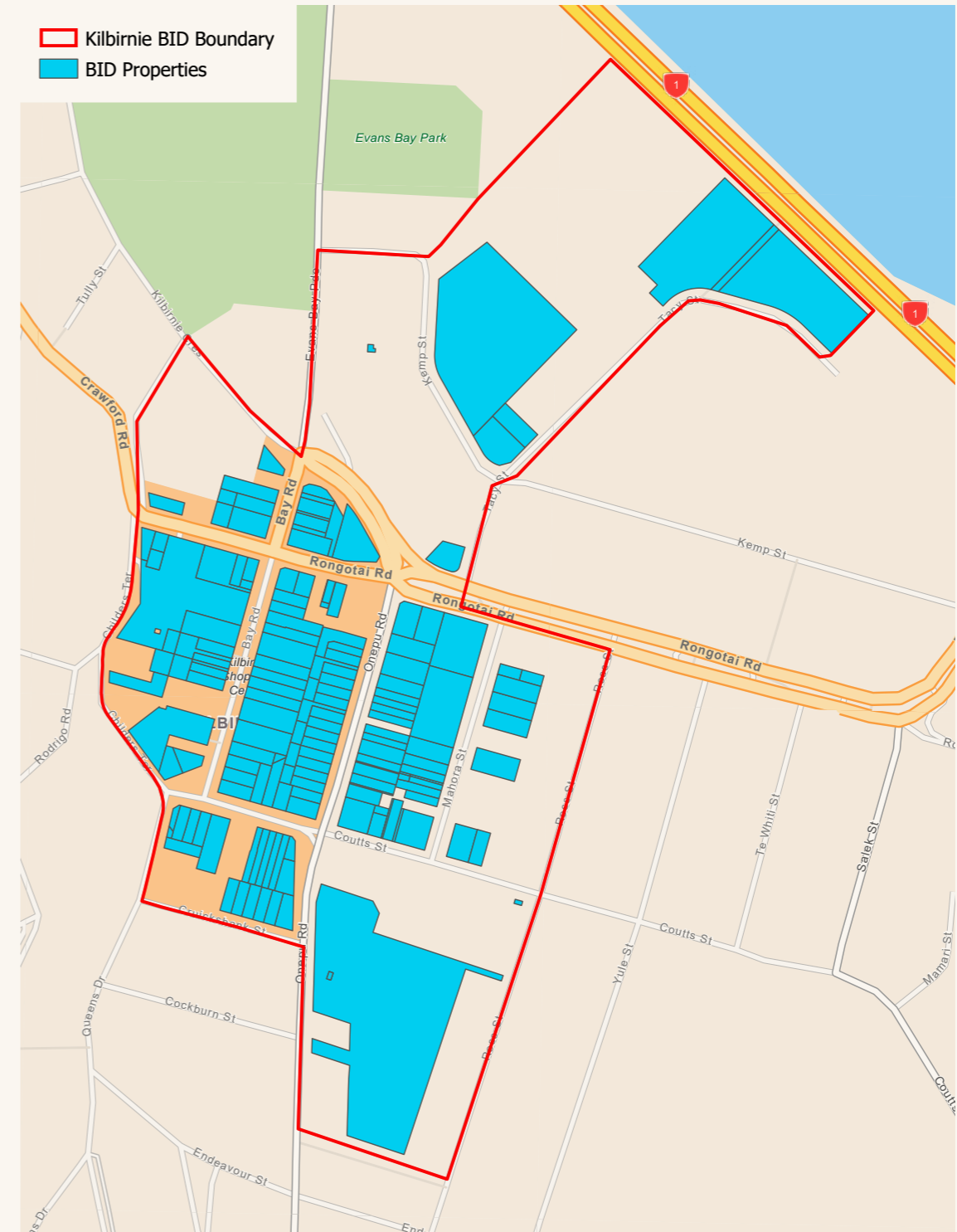


Kilbirnie Business Improvement District Targeted Rate

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

This rate is set on all rating units within the Kilbirnie Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.

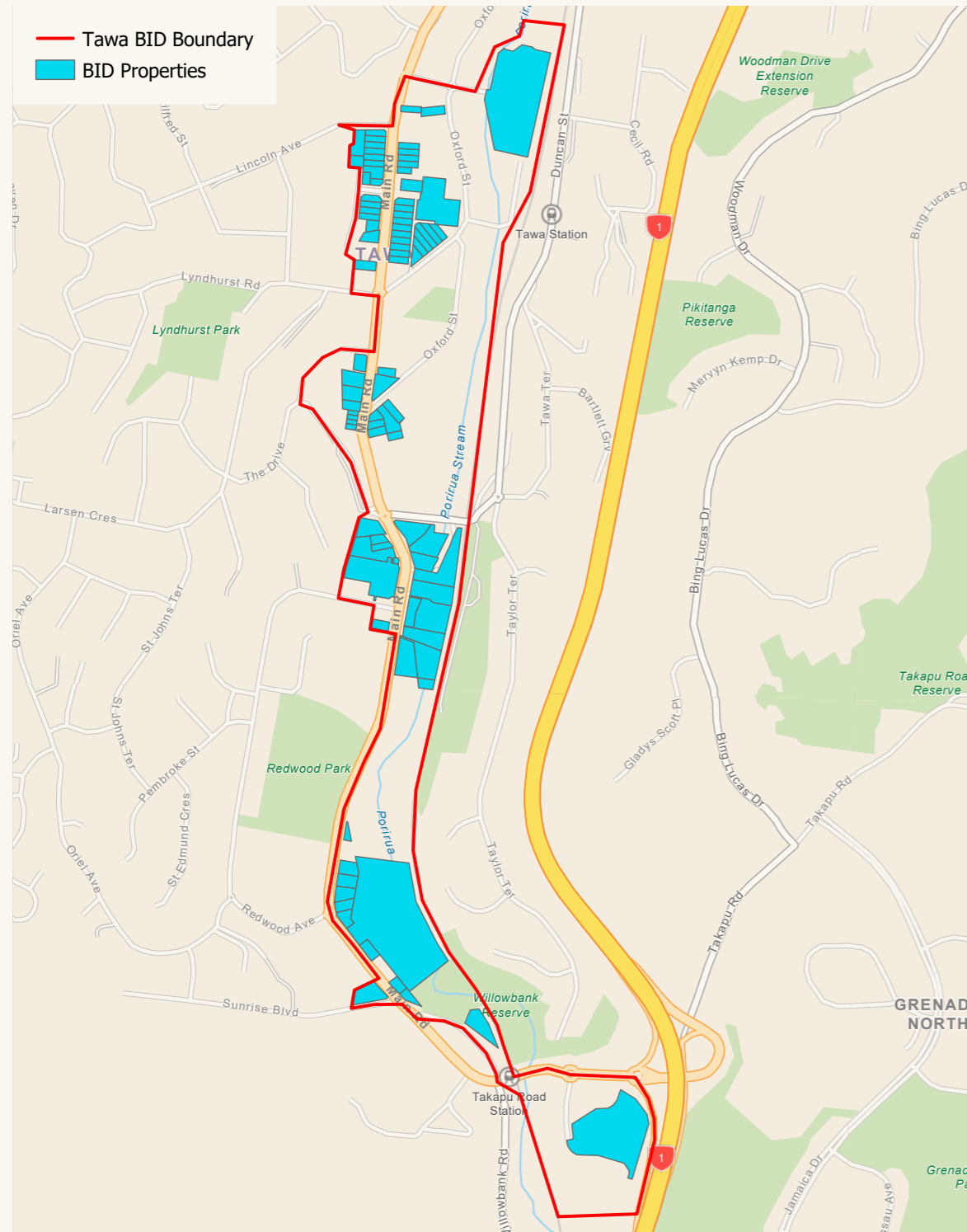


Tawa Business Improvement District Targeted Rate

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

This rate is assessed on all rating units within the Tawa Business Improvement District area (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.

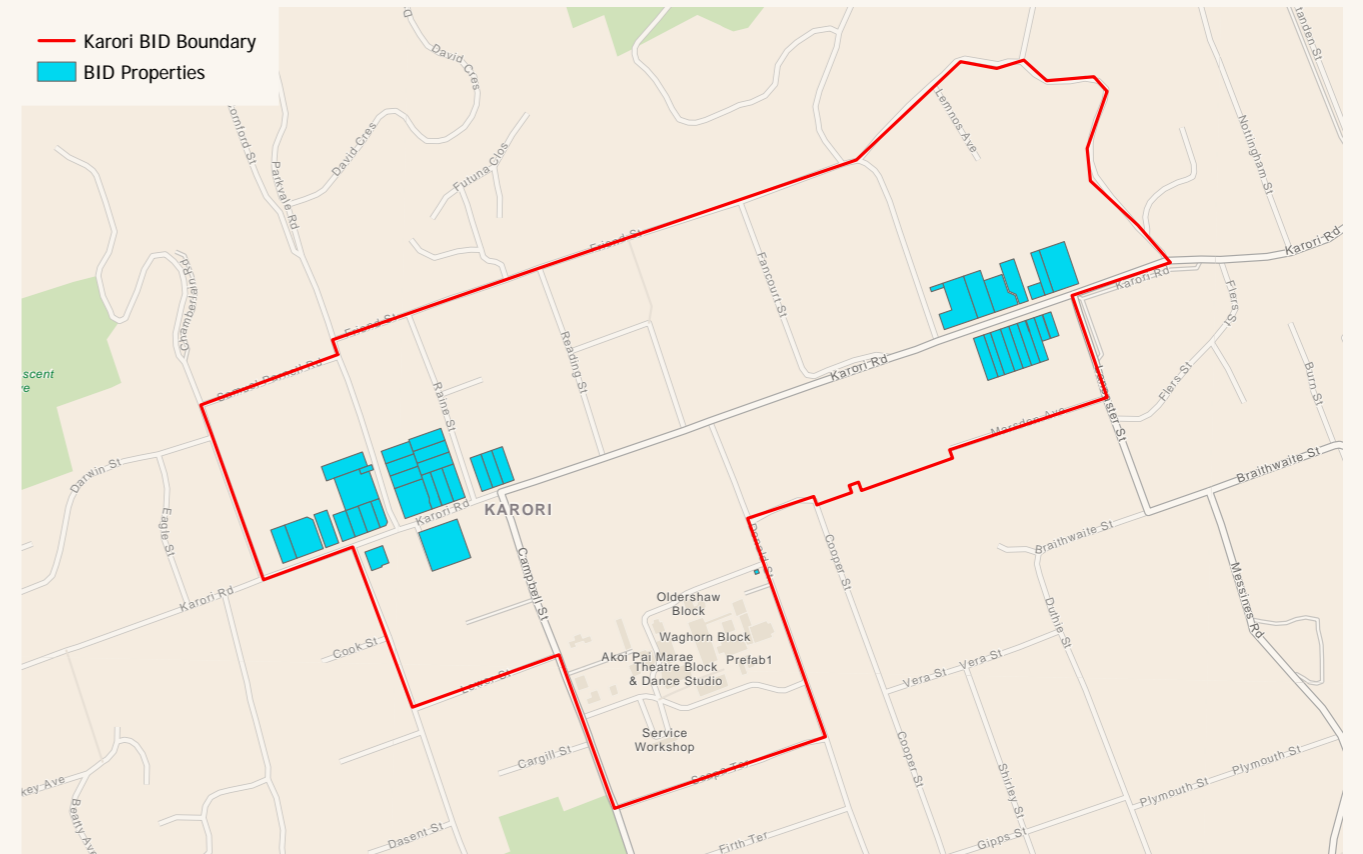


Karori Business Improvement District Targeted Rate

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

This rate is assessed on all rating units within the Karori Business Improvement District area (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a rate per dollar of rateable capital value.



2020/21 Funding Impact Statement - Rates Funding Statement (excluding GST)

Rate	Category	Factor	Differential Charge Type	Total Value of Factor	Rate/charge*	Rates yield GST Exclusive
General Rate	Base	Capital Value	Base differential	\$59,229,230,000	¢0.183612	\$108,751,974
	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential	\$14,451,790,000	¢0.596784	\$86,245,970
	Total					\$194,997,944
Sewerage targeted rate		Fixed amount / rating unit	Base differential per connection status	69388 properties	\$116.36	\$8,073,988
	Base	Capital Value	Base differential per connection status	\$62,462,652,000	¢0.033350	\$8,073,988
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business differential per connection status	\$12,314,322,000	¢0.150849	\$18,576,032
Total						\$47,481,314
Water targeted rate	Base	Fixed amount / rating unit	Base differential per connection status without a water meter	61078 properties	\$189.39	\$11,567,481
		Capital Value	Base differential per connection status without a water meter	\$51,452,461,000	¢0.037975	\$19,539,072
	Base	Consumption unit charge	Base differential per connection status with a water meter	n/a	\$2.776 / m3	\$742,821
		Fixed amount / rating unit	Base differential per connection status with a water meter	n/a	\$153.93	\$99,593
		Capital Value	Commercial, industrial and business differential per connection status without a water meter	\$692,728,000	¢0.430761	\$2,984,002
		Consumption unit charge	Commercial, industrial and business differential per connection status with a water meter	n/a	\$2.776 / m3	\$17,827,699
		Fixed amount / rating unit	Commercial, industrial and business differential per connection status with a water meter	n/a	\$153.93	\$487,035
Total						\$53,247,703
Stormwater targeted rate	Base	Capital Value	Base differential (excluding land defined in the rural activity area)	\$58,484,264,000	¢0.029071	\$17,001,960
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business differential (excluding land defined in the rural activity area)	\$12,831,244,000	¢0.038469	\$4,936,051
	Total					\$21,938,012
Base sector targeted rate	Base	Capital Value	Base differential	\$59,287,973,000	¢0.013741	\$8,146,760
Commercial sector targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential	\$14,380,830,000	¢0.031556	\$4,538,015

Rate	Category	Factor	Differential Charge Type	Total Value of Factor	Rate/charge*	Rates yield GST Exclusive
Downtown targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the downtown area	\$9,721,545,000	¢0.123540	\$12,009,997
Tawa driveways targeted rate	Base	Fixed amount / rating unit	Shared residential access driveways maintained by Council in the suburb of Tawa (extent of provision of service)	254 properties	\$133.33	\$33,866
Karori Business Improvement District targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the Karori Business Improvement District area	\$55,438,000	¢0.108229	\$60,000
Khandallah Business Improvement District targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the Khandallah Business Improvement District area	\$17,325,000	¢0.115440	\$20,000
Kilbirnie Business Improvement District targeted rate	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Kilbirnie Business Improvement District area	105 properties	\$500.00	\$52,500
		Capital Value	Commercial, industrial & business differential located in the Kilbirnie Business Improvement District area	\$168,517,000	¢0.016319	\$27,500
	Total					\$80,000
Tawa Business Improvement District targeted rate	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Tawa Business Improvement District area	72 properties	\$520.00	\$37,440
		Capital Value	Commercial, industrial & business differential located in the Tawa Business Improvement District area	\$116,625,000	¢0.049355	\$57,560
	Total					\$95,000
Miramar Business Improvement District targeted rate	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Miramar Business Improvement District area	122 properties	\$365.00	\$44,530
		Capital Value	Commercial, industrial & business differential located in the Miramar Business Improvement District area	\$267,286,000	¢0.015889	\$42,470
	Total					\$87,000
Total rates requirement (excluding GST)						\$342,735,610

* Note

When rates for 2020/21 are assessed, GST will be applied to the final rates. The total rates requirement includes rates remissions but excludes rates penalties which are budgeted separately.

The total rates requirement (excluding GST) differs from the revenue from rates in Forecast Statement of Comprehensive Revenue and Expense as the revenue from rates includes penalties not included in this statement.

Rates Increases

	2020/21 Annual Plan			Year on Year % Increase		
	Commercial	Base	Total	Commercial	Base	Total
General Rate	\$86,245,970	\$108,751,974	\$194,997,944	4.1%	4.7%	4.4%
Sector Targeted	\$4,538,015	\$8,146,760	\$12,684,775	-17.5%	6.6%	-3.5%
Downtown Targeted	\$12,009,997	-	\$12,009,997	-11.5%	0.0%	-11.5%
Water	\$21,298,736	\$31,948,967	\$53,247,703	13.2%	13.2%	13.2%
Sewerage	\$18,576,032	\$28,905,282	\$47,481,314	9.4%	5.6%	7.1%
Storm Water	\$4,936,051	\$17,001,960	\$21,938,012	13.0%	13.0%	13.0%
BIDs and Tawa Driveways	\$342,000	\$33,866	\$375,866	2.1%	0.4%	1.9%
Total	\$147,946,800	\$194,788,810	\$342,735,610	3.9%	6.9%	5.6%
Sector Growth				0.4%	0.7%	0.5%
Rates increase per sector after growth				3.5%	6.2%	5.1%

Indicative rates

The following table shows the indicative residential and commercial property rates inclusive of GST for a selection of billing categories, based on the 2020/21 budget:

Indicative residential property rates inclusive of gst (for properties without a water meter)			Indicative suburban commercial property rates inclusive of gst (for properties with a water meter)*			Indicative downtown commercial property rates inclusive of gst (for properties with a water meter)*		
Capital Values	2020/21 Total Rates Incl. GST	% Increase after growth	Capital Values	2020/21 Total Rates Incl. GST	% Increase after growth	Capital Values	2020/21 Total Rates Incl. GST	% Increase after growth
\$	\$	%	\$	\$	%	\$	\$	%
400,000	1,721	5.19%	1,000,000	9,580	5.99%	1,000,000	11,001	0.95%
500,000	2,064	5.12%	1,250,000	11,931	5.96%	1,250,000	13,707	0.91%
600,000	2,406	5.08%	1,500,000	14,282	5.94%	1,500,000	16,413	0.89%
700,000	2,748	5.04%	1,750,000	16,632	5.92%	1,750,000	19,119	0.88%
800,000	3,091	5.02%	2,000,000	18,983	5.91%	2,000,000	21,825	0.86%
900,000	3,433	4.99%	2,250,000	21,334	5.90%	2,250,000	24,531	0.85%
1,000,000	3,776	4.98%	2,500,000	23,685	5.90%	2,500,000	27,236	0.85%
1,100,000	4,118	4.96%	2,750,000	26,035	5.89%	2,750,000	29,942	0.84%
1,200,000	4,461	4.95%	3,000,000	28,386	5.89%	3,000,000	32,648	0.84%
1,300,000	4,803	4.94%	3,250,000	30,737	5.88%	3,250,000	35,354	0.83%
1,400,000	5,145	4.93%	3,500,000	33,088	5.88%	3,500,000	38,060	0.83%
1,500,000	5,488	4.92%	3,750,000	35,439	5.88%	3,750,000	40,766	0.82%
1,600,000	5,830	4.91%	4,000,000	37,789	5.87%	4,000,000	43,472	0.82%
1,700,000	6,173	4.91%	4,250,000	40,140	5.87%	4,250,000	46,178	0.82%
1,800,000	6,515	4.90%	4,500,000	42,491	5.87%	4,500,000	48,884	0.82%
1,900,000	6,857	4.90%	4,750,000	44,842	5.87%	4,750,000	51,590	0.82%
2,000,000	7,200	4.89%	5,000,000	47,192	5.87%	5,000,000	54,296	0.81%

* Excludes water by consumption which are charged based on consumption

Projected property information

Projected property information at 30 June 2020

Rating Units	79,811
Capital Value	\$79,212,774,801
Land value	\$40,577,365,501

Financial statements

Forecast Statement of Comprehensive Revenue and Expense For the year 2020/21

	LTP 2020/21 \$000	Annual Plan 2020/21 \$000	Variance to LTP \$000
Revenue			
Rates	347,623	343,988	(3,635)
Revenue from operating activities			
Development contributions	2,000	2,000	
Grants, subsidies and reimbursements	26,849	34,334	7,485
Other operating activities	148,254	144,229	(4,025)
Investments revenue	26,123	11,705	(14,418)
Fair value gains	5,408	6,075	667
Other revenue	1,100	1,850	750
Finance revenue	13	13	-
Total Revenue	557,370	544,193	(13,177)
Expense			
Finance expense	38,175	25,718	(12,457)
Expenditure on operating activities	387,208	430,131	42,923
Depreciation and amortisation expense	133,748	137,869	4,121
Total Expense	559,131	593,717	34,586
Total operating surplus/(deficit)	(1,761)	(49,524)	(47,763)
Share of equity accounted surplus from associates and jointly controlled entity			
Net surplus before taxation	(1,761)	(49,524)	(47,763)
Income tax expense	-	-	-
Net Surplus	(1,761)	(49,524)	(47,763)
Other comprehensive revenue and expense			
<i>Items that will not be reclassified to surplus/(deficit)</i>			
Revaluations:			
Fair value movement - property, plant and equipment - net	62,166	86,710	24,544
Cash flow hedges:			
Fair value movement - net			
Fair value through other comprehensive income			
Fair value movement - financial assets - net			
Total other comprehensive revenue and expense	62,166	86,710	24,544
Total Comprehensive Revenue and Expense	60,405	37,186	(23,219)

Prospective Statement of Financial Position For the year 2020/21

	LTP 2020/21 \$000	Annual Plan 2020/21 \$000	Variance to LTP \$000
Assets			
<i>Current assets</i>			
Cash and cash equivalents	298	4,767	4,469
Investments	0	120,000	120,000
Other financial assets	14,320	-	(14,320)
Receivables and recoverable	52,765	55,488	2,723
Prepayments	-	17,179	17,179
Inventories	1,012	998	(14)
Total current assets	68,395	198,433	130,038
<i>Non-current assets</i>			
Other financial assets	18,151	14,844	(3,307)
Intangibles	37,237	34,178	(3,059)
Investment properties	251,241	270,225	18,984
Property, plant & equipment	7,667,490	7,713,969	46,479
Investment in controlled entities	5,071	5,071	0
Investment in associates and jointly controlled entities	19,465	19,465	0
Total non-current assets	7,998,655	8,057,752	59,097
Total Assets	8,067,050	8,256,185	189,135
Liabilities			
<i>Current liabilities</i>			
Derivative financial liabilities	0	985	985
Exchange transactions and transfers payable	76,981	57,135	(19,846)
Revenue in advance	14,920	13,749	(1,171)
Borrowings	126,500	132,000	5,500
Employee benefit liabilities and provisions	4,131	4,597	466
Provision for other liabilities	8,884	10,237	1,353
Total current liabilities	231,416	218,703	(12,713)
<i>Non-current liabilities</i>			
Derivative financial liabilities	-	67,153	67,153
Exchange transactions and transfers payable	630	231	(399)
Borrowings	744,561	847,445	102,884
Employee benefit liabilities	1,384	1,156	(228)
Provisions for other liabilities	17,388	29,643	12,255
Total non-current liabilities	763,963	945,628	181,665
Total Liabilities	995,379	1,164,330	168,951
Equity			
Accumulated funds and retained earnings	5,111,693	4,994,275	(117,418)
Revaluation reserves	1,945,782	2,145,774	199,992
Hedging reserve	-	(68,138)	(68,138)
Fair value through other comprehensive revenue and expense reserve	2,888	4,290	1,402
Restricted funds	11,308	15,654	4,346
Total Equity	7,071,671	7,091,855	20,184
Total Equity and Liabilities	8,067,050	8,256,185	189,135

Prospective Statement of Changes in Equity For the year 2020/21

	LTP 2020/21 \$000	Annual Plan 2020/21 \$000	Variance to LTP \$000
Equity - opening balances			
Accumulated funds and retained earnings	5,114,243	5,044,588	(69,655)
Revaluation reserves	1,883,616	2,059,064	175,448
Hedging reserve	-	(68,138)	(68,138)
Fair value through other comprehensive revenue and expense reserve	2,888	4,290	1,402
Restricted funds	10,519	14,865	4,346
Total Equity - opening balances	7,011,266	7,054,669	43,403
Changes in Equity			
<i>Retained earnings</i>			
Net surplus for the year	(1,761)	(49,524)	(47,763)
Transfer to restricted funds	2,621	2,547	(74)
Transfer from restricted funds	(3,410)	(3,336)	74
Transfer from revaluation reserves	-	-	-
Transfer to revaluation reserves	-	-	-
<i>Revaluation reserves</i>			
Fair value movement - property, plant and equipment - net	62,166	86,710	24,544
Transfer to retained earnings	-	-	-
<i>Hedging reserve</i>			
Movement in hedging reserve	-	-	-
<i>Fair value through other comprehensive revenue and expense reserve</i>			
Movement in fair value	-	-	-
<i>Restricted Funds</i>			
Transfer to retained earnings	(2,621)	(2,547)	74
Transfer from retained earnings	3,410	3,336	(74)
Total comprehensive revenue and expense	60,405	37,186	(23,219)
Net Equity - Closing Balances			
Accumulated funds and retained earnings	5,111,693	4,994,275	(117,418)
Revaluation reserves	1,945,782	2,145,774	199,992
Hedging reserve	-	(68,138)	(68,138)
Fair value through other comprehensive revenue and expense reserve	2,888	4,290	1,402
Restricted funds	11,308	15,654	4,346
Total Equity - closing balances	7,071,671	7,091,855	20,184

Prospective Statement of Cash Flows For the year 2020/21

	LTP 2020/21 \$000	Annual Plan 2020/21 \$000	Variance to LTP \$000
Cash flows from operating activities			
Receipts from rates – Council	345,825	344,102	(1,723)
Receipts from rates – Greater Wellington Regional Council	72,095	71,540	(555)
Receipts from activities and other income	151,950	145,989	(5,961)
Receipts from grants and subsidies – operating	(787)	8,972	9,759
Receipts from grants and subsidies – capital	27,636	28,112	476
Receipts from investment property lease rentals	11,215	10,797	(418)
Cash paid to suppliers and employees	(342,870)	(325,628)	17,242
Rates paid to Greater Wellington Regional Council	(72,095)	(71,540)	555
Grants paid	(45,427)	(53,485)	(8,058)
Net GST (paid) / received			
Net cash flows from operating activities	147,542	158,859	11,317
Cash flows from investing activities			
Dividends received	14,908	908	(14,000)
Interest received	13	13	-
Proceeds from sale of investment properties	-	-	-
Proceeds from sale of property, plant and equipment	9,500	-	(9,500)
Increase in investments	-	-	-
Loan advances made	-	-	-
Purchase of investment properties	(7,641)	(9,508)	(1,867)
Purchase of Intangibles	(257,195)	(280,115)	(22,920)
Purchase of property, plant and equipment	14,908	908	(14,000)
Net cash flows from investing activities	(240,415)	(288,702)	(48,287)
Cash flows from financing activities			
New borrowings	258,198	277,149	18,951
Repayment of borrowings	(125,000)	(125,000)	-
Interest paid on borrowing	(40,306)	(25,718)	14,588
Net cash flows from financing activities	92,892	126,431	33,539
Net increase/(decrease) in cash and cash equivalents	19	(3,412)	(3,431)
Cash and cash equivalents at beginning of year	279	8,179	7,900
Cash and cash equivalents at end of year	298	4,767	4,469

Prospective statement of changes in restricted funds for the period ended 2020/21

	Opening balance 2020/21 \$000	Deposits \$000	Expenditure \$000	Closing balance 2020/21 \$000	Purpose
Special reserves and funds					
Reserve purchase and development fund	-	-	-	-	Used to purchase and develop reserve areas within the city.
City growth fund	-	-	-	-	
Other funds	3,189	1,750	(1,750)	3,189	
Insurance reserve	11,198	1,564	(782)	11,980	Allows the Council to meet the uninsured portion of insurance claims
Total special reserves and funds	14,387	3,314	(2,532)	15,169	
Trusts and bequests					
A Graham Trust	4	-	-	4	For the upkeep of a specific area of Karori Cemetery
A W Newton Bequest	362	17	(15)	364	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	17	1	-	18	For the purchase of children's books
F L Irvine Smith Memorial	8	1	-	9	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	1	-	6	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	4	-	-	4	For the purchase of children's books
Kirkcaldie and Stains Donation	17	-	-	17	For the beautification of the BNZ site
QEII Memorial Book Fund	23	1	-	24	For the purchase of books on the Commonwealth
Schola Cantorum Trust	8	1	-	9	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	478	22	(15)	485	
Total restricted funds	14,865	3,336	(2,547)	15,654	

Explanation of surplus/deficit

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

	\$000
Balanced Budget	0
Depreciation not funded by rates:	
NZTA Transport funded projects	(15,350)
General	(50)
Moa Point sewerage treatment plant	-
Decommissioned Living Earth joint venture plant	(223)
Wellington Waterfront Limited Depreciation	(2,922)
Civic Campus	(278)
Total depreciation not funded by rates	(18,824)
Revenue received for capital purposes:	
Funding received from external parties for major capital expenditure projects	
NZTA capital funding	25,362
Development contributions	2,000
Bequests, trust and other external funding	2,241
Total Revenue received for capital purposes	29,603
Ring fenced operations (no rates impact):	
Housing ring-fenced surplus (deficit)	(6,140)
Waste Minimisation surplus (deficit)	59
Total Ring fenced operations	(6,081)
Items funded from prior year surpluses:	
City Growth Fund	(1,750)
Civic Campus	(2,200)
Total items funded from prior year surplus	(3,950)
Prior year expenditure and provisions funded in current year	
Additional operational impacts:	
Prior year expenditure and provisions funded in current year	
Weathertight Homes funding	3,950
Ngauranga to Airport Contribution to NZTA	130
Cable car	125
Technology Infrastructure and Software	481
Alex Moore Park	55
Technology One System-	221
Temporary Libraries	500
Stadium funding	400
Toitu Poneke	80
	5,942

Explanation of surplus/deficit

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

	\$000
Operational expenditure items identified as equitable to be funded through other funding mechanisms	
Let's Get Wellington Moving - defer funding	(8,839)
Shelly Bay Grantw	(3,000)
Convention and Exhibition Centre construction phase	(2,865)
3 Waters	(2,985)
Revenue & Financing Policy Non-Compliance	(22,473)
Wellington International Airport Ltd Dividend	(14,000)
Underground Market Closure	(20)
Chaffer Marina capital contribution	(42)
Clyde Quay Wharf Sinking Fund	(115)
CCO Covid Response Support	(5,000)
Library Te Awe relocation	(135)
Patent Slip Jetty Demolition	(170)
ASB Sports Centre Floor	(145)
Petone to Ngauranga Cycleway Grant	(2,500)
Fair value movement on investment property revaluation (per Fin Perf)	6,075
	(56,214)
Total additional items	(50,272)
Total Deficit	(49,524)

Summary of accounting policies

The following indicative financial statements show the 2020/21 financial year's income and expenditure, and financial position.

Balanced budget

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

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

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

The capital funding that is the primary cause of the 'surplus' mainly comes from third parties like the New Zealand Transport Agency (NZTA) for roads.

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

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

Reporting entity

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

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

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

Basis of preparation

Statement of compliance

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

The draft prospective financial statements have been prepared to comply with Public Benefit

Entity Accounting Standards (PBE Standards) for a Tier 1 entity. A Tier 1 entity is defined as being either publicly accountable or large (ie expenses over \$30m).

The reporting period for these prospective financial statements is the one year period ending 30 June 2021. The prospective financial statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

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

Measurement base

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

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

Amounts expected to be recovered or settled more than one year after the end of the reporting period are recognised at their present value. The present value of the estimated future cash flows is calculated using applicable inflation factors and a discount rate. The inflation rates used and the discount rate for forecast the long-term cost of borrowing are as per the "Significant forecasting assumptions" which are disclosed in the Long-term Plan 2018-28.

Judgements and estimations

The preparation of prospective 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 (e.g. 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 charged are primarily based on a per unit of consumption basis, they are considered to be more in the nature of an exchange transaction. Revenue from water rates is recognised on an accrual basis, based on usage.

Operating activities

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

Grants, subsidies and reimbursements

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

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

Development contributions

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

Rendering of services

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

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

Fines and penalties

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

Sale of goods

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

Investment revenues**Dividends**

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

Investment property lease rentals

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

Other revenue**Donated, subsidised or vested assets**

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

Gains

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

Finance revenue**Interest**

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

Donated services

The Council benefits from the voluntary service of many Wellingtonians in the delivery of its activities and services (eg beach cleaning and Otari-Wilton's Bush guiding and planting). Due to the difficulty in determining the precise value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Expenses

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

Operating activities**Grants and sponsorships**

Expenditure is classified as a grant or sponsorship if it results in a transfer of resources (eg cash or physical assets) to another entity or individual in return for compliance with certain conditions relating to the operating activities of that entity. It includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Council. Grants and sponsorships are distinct from donations 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 prospective financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Financial instruments

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

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

Financial assets

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

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

Cash and cash equivalents comprise cash balances and call deposits with maturity dates of 3 months or less.

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

Loans and deposits include loans to other entities (including subsidiaries and associates), and bank deposits with maturity dates of more than 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. Trade and other receivables due in less than 12 months are recognised at their nominal value. A provision for impairment is recognised when there is objective evidence that the asset is impaired. As there are statutory remedies to recover unpaid rates, penalties and water meter charges, no provision has been made for impairment in respect of these receivables.

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

Financial liabilities

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

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

Derivatives

Derivative financial instruments include interest rate swaps used to hedge exposure to interest rate risk on borrowings. Derivatives are initially recognised at fair value, based on quoted market prices, and subsequently remeasured to fair value at the end of each reporting period. Fair value is determined by reference to quoted

prices for similar instruments in active markets. Derivatives that do not qualify for hedge accounting are classified as non-hedged and fair value gains or losses are recognised within surplus or deficit.

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

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

Inventories

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

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

Inventory held for distribution at no or nominal cost is recorded at the lower of cost and current replacement cost.

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 (e.g. infrastructure assets constructed by developers and transferred to the Council on completion of a subdivision). Vested assets are recognised within their respective asset classes as above.

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

Recognition

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

Measurement

Property, plant and equipment is recognised initially at cost, unless acquired for nil or nominal cost (e.g. 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 an independent registered valuer.

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 an independent registered valuer.

The Council has elected to use the fair value of other restricted assets at 30 June 2005 as the deemed cost of the assets. These assets are no longer revalued. Subsequent additions have been recorded at cost.

Infrastructure assets

Infrastructure assets (roading network, water, waste and drainage reticulation assets) are valued at optimised depreciated replacement cost on a 3 year cycle by an independent registered valuer. 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 3 year cycle.

Land under roads, which represents the corridor of land directly under and adjacent to the Council's roading network, was valued as at 30 June 2005 at the average value of surrounding adjacent land discounted by 50 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 asset class consists 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 with Wellington Water Limited. The assets are valued consistently with waste infrastructure network assets.

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

Revaluations

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

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

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

Impairment

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

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

The carrying amounts of non-cash generating property, plant and equipment assets are reviewed at least annually

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

Disposal

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

Work in progress

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

Depreciation

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

Asset category	Useful life (years)
Land	<i>Unlimited</i>
Buildings	2 - 150
Civic Precinct	2 - 67
Plant and equipment	1 - 296
Library	4 - 11
Restricted assets (excluding buildings)	Unlimited
Infrastructure assets:	
Land (including land under roads)	Unlimited
Roading	2 - 266
Drainage, waste and water	7 - 402

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

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 lives and depreciation rate range of these assets are as follows:

Asset category	Useful life (years)
Computer software	2 to 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 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.

Prospective 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 prospective statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all non-financial revenue sources of the Council and the Group and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets and investment revenue.

Financing activities relate to activities that change the equity and debt capital structure of the Council and Group and financing costs.

Related parties

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

The Mayor and Councillors are considered Directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration comprises any money, consideration or benefit received or receivable or otherwise made available, directly or indirectly, to a Director during the reporting period. Directors' remuneration does not include reimbursement of authorised work expenses or the provision of work-related equipment such as 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 Prospective Financial Statements (PBE FRS 42)

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

- 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.

- Purpose for which the prospective financial statements are prepared

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

- (iii) Bases for assumptions, risks and uncertainties

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

iv. Cautionary note

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

v. Other disclosures

These prospective financial statements were adopted as part of the assumptions that form the Annual Plan 2020/21 for issue on 21 July 2020 by Wellington City Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. The Annual Plan is prospective and as such contains no actual operating results.

Operating Projects and programmes

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000		
Governance	1.1	1000	Annual Planning	Operating Costs	1,593		
		1001	Policy	Operating Costs	1,417		
		1002	Committee & Council Process	Income Operating Costs	(13) 8,453		
		1003	Strategic Planning	Operating Costs	679		
		1004	Tawa Community Board - Discretionary	Operating Costs	12		
		1007	WCC City Service Centre	Income Operating Costs	(105) 3,113		
		1009	Rating Property Valuations	Income Operating Costs	(232) 789		
		1010	Rateable property data & valuation management	Operating Costs	1,284		
		1011	Archives	Income Operating Costs	(165) 2,487		
		1216	CCO Covid Response Support	Operating Costs	5000		
		Total - 1.1 Governance information and engagement					24,311
				1012	Funding agreements - Māori	Operating Costs	210
				1013	Māori Engagement	Operating Costs	108
Total - 1.2 Māori and mana whenua partnerships					317		
Total - 1 Governance					24,629		

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000
Environment	2.1	1014	Parks and Reserves Planning	Income Operating Costs	(5) 1,055
		1015	Reserves Unplanned Maintenance	Operating Costs	201
		1016	Parks Mowing- Open Space & Reserve Land	Income Operating Costs	(46) 1,567
		1017	Park Furniture and Infrastructure Maintenance	Income Operating Costs	(10) 1,796
		1018	Parks and Buildings Maintenance	Income Operating Costs	(204) 1,394
		1019	CBD and Suburban Gardens	Income Operating Costs	(32) 2,180
		1020	Arboricultural Operations	Income Operating Costs	(132) 1,783
		1021	Wellington Gardens (Botanic, Otari etc)	Income Operating Costs	(262) 6,072

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000
Environment	2.1	1022	Coastal Operations	Income	(45)
				Operating Costs	1,690
		1024	Road Corridor Growth Control	Income	(711)
				Operating Costs	1,820
		1025	Street Cleaning	Income	(426)
				Operating Costs	9,103
		1026	Hazardous Trees Removal	Income	(6)
				Operating Costs	484
		1027	Town Belts Planting	Operating Costs	982
		1028	Townbelt-Reserves Management	Income	(261)
				Operating Costs	4,968
		1030	Community Greening Initiatives	Operating Costs	674
		1031	Environmental Grants Pool	Operating Costs	104
		1032	Walkway Maintenance	Operating Costs	1,223
		1033	Weeds & Hazardous Trees Monitoring	Income	0
		Operating Costs	781		
1034	Animal Pest Management	Operating Costs	1,633		
1035	Waterfront Public Space Management	Income	(465)		
		Operating Costs	7,881		
Total - 2.1 Gardens, beaches and green open spaces					44,785
2.2		1036	Landfill Operations & Maintenance	Income	(12,294)
				Operating Costs	8,111
		1037	Suburban Refuse Collection	Income	(4,012)
				Operating Costs	3,427
		1038	Domestic Recycling	Income	(3,618)
				Operating Costs	6,798
		1039	Waste Minimisation	Income	(1,069)
				Operating Costs	2,588
1040	Litter Enforcement	Operating Costs	9		
1041	Closed Landfill Gas Migration Monitoring	Operating Costs	530		
1042	EV Charging & Home Energy Audits	Income	(60)		
		Operating Costs	758		
Total - 2.2 Waste reduction and energy conservation					1,167
2.3		1043	Water - Meter Reading	Operating Costs	138
		1044	Water - Network Maintenance	Operating Costs	6,085
		1045	Water - Water Connections	Income	(39)
				Operating Costs	0
		1046	Water - Pump Stations Maintenance - Operations	Operating Costs	1,141
		1047	Water - Asset Stewardship	Operating Costs	25,717
		1048	Water - Reservoir-Dam Maintenance	Operating Costs	291
		1049	Water - Monitoring & Investigation	Operating Costs	1,136

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000		
Environment	2.3	1050	Water - Asset Management	Operating Costs	627		
		1051	Water - Bulk Water Purchase	Operating Costs	19,073		
		Total - 2.3 Water					54,170
		2.4		1052	Wastewater - Asset Stewardship	Income	(694)
						Operating Costs	21,878
				1053	Wastewater - Trade Waste Monitoring & Investigation	Operating Costs	17
				1055	Wastewater - Network Maintenance	Operating Costs	2,586
				1057	Wastewater - Asset Management	Operating Costs	1,222
				1058	Wastewater - Monitoring & Investigation	Operating Costs	1,703
				1059	Wastewater - Pump Station Maintenance - Operations	Operating Costs	1,674
				1060	Wastewater - Treatment Plants	Operating Costs	22,344
				1062	Sewerage Disposal	Income	0
						Operating Costs	252
		Total - 2.4 Wastewater					50,981
		2.5		1063	Stormwater - Asset Stewardship	Operating Costs	16,728
1064	Stormwater - Network Maintenance			Operating Costs	2,702		
1065	Stormwater - Monitoring & Investigation			Income	(11)		
				Operating Costs	801		
1066	Stormwater - Asset Management			Operating Costs	804		
1067	Drainage Maintenance			Income	(193)		
				Operating Costs	1,406		
1068	Stormwater - Pump Station Maintenance - Operations			Operating Costs	320		
Total - 2.5 Stormwater					22,557		
2.6		1069	Zealandia	Operating Costs	1,527		
		1070	Wellington Zoo Trust	Operating Costs	5,461		
Total - 2.6 Conservation attractions							
Total - 2 Environment					180,648		

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000		
Economic Development	3.1	1073	WellingtonNZ Tourism	Operating Costs	5,869		
		1074	Events Fund	Operating Costs	4,976		
		1075	Wellington Venues	Income Operating Costs	(15,277) 18,778		
		1077	CBD Free Wifi	Operating Costs	779		
		1078	Wellington Convention & Exhibition Centre (WCEC)	Income Operating Costs	0 2,865		
		1081	Economic Growth Strategy	Operating Costs	947		
		1082	City Growth Fund	Operating Costs	5,241		
		1087	International Relations	Operating Costs	945		
		1089	Business Improvement Districts	Operating Costs	342		
		Total - 3.1 City promotions and business support					25,465
		Total - 3 Economic Development					25,465
Cultural Wellbeing	4.1	1090	Wellington Museums Trust	Operating Costs	9,556		
		1092	Te Papa Funding	Operating Costs	2,250		
		1093	Carter Observatory	Operating Costs	691		
		1095	City Events Programme	Income Operating Costs	(224) 3,254		
		1097	Citizen's Day - Mayoral Day	Operating Costs	23		
		1098	Cultural Grants Pool	Operating Costs	1,241		
		1099	Subsidised Venue Hire For Community Groups	Operating Costs	200		
		1100	City Arts Programme	Income Operating Costs	(10) 477		
		1101	NZSO Subsidy	Operating Costs	216		
		1102	Toi Poneke Arts Centre	Income Operating Costs	(542) 1,649		
		1103	Public Art Fund	Operating Costs	536		
		1104	New Zealand Ballet	Operating Costs	160		
		1105	Orchestra Wellington	Operating Costs	292		
		1106	Regional Amenities Fund	Operating Costs	631		
		1214	UNESCO Strategic City of Film	Operating Costs	273		
		Total - 4.1 Arts and cultural activities					20,673
		Total - 4 Cultural Wellbeing					20,673

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000		
Social and Recreation	5.1	1107	Swimming Pools Operations	Income Operating Costs	(6,049) 25,398		
		1108	Natural Turf Sport Operations	Income Operating Costs	(242) 3,782		
		1109	Synthetic Turf Sport Operations	Income Operating Costs	(400) 1,766		
		1110	Recreation Centres	Income Operating Costs	(642) 3,481		
		1111	ASB Sports Centre	Income Operating Costs	(1,341) 6,914		
		1112	Basin Reserve Trust	Operating Costs	1,477		
		1113	Recreational NZ Academy Sport	Operating Costs	47		
		1114	Playground and Skate Facility Maintenance	Operating Costs	1,053		
		1115	Marina Operations	Income Operating Costs	(579) 870		
		1116	Municipal Golf Course	Income Operating Costs	(60) 255		
		1117	Recreation Programmes	Income Operating Costs	(35) 586		
		Total - 5.1 Recreation promotion and support					36,281
			5.2	1118	Library Network - Wide Operation	Income Operating Costs	(75) 15,614
				1119	Branch Libraries	Income Operating Costs	(555) 8,584
				1120	Passport to Leisure Programme	Operating Costs	130
				1121	Community Advice & Information	Operating Costs	1,641
				1122	Community Group Relationship Management	Operating Costs	248
1123	Support for Wellington Homeless			Operating Costs	215		
1124	Social & Recreational Grant Pool			Operating Costs	4,569		
1125	Housing Operations and Maintenance			Income Operating Costs	(26,153) 32,202		
1126	Housing Upgrade Project			Operating Costs	89		
1127	Community Property Programmed Maintenance			Income Operating Costs	(4) 860		
1128	Community Halls Operations and Maintenance			Income Operating Costs	(40) 784		
1129	Community Property & Facility Operations			Income Operating Costs	(281) 2,189		
1130	Rent Grants for Community Welfare Groups			Operating Costs	232		
1208	CBD Library Services Network	Operating Costs	2,996				
Total - 5.2 Community participation and support					43,245		
	5.3	1131	Burial & Cremation Operations	Income Operating Costs	(922) 2,045		
		1132	Public Toilet Cleaning and Maintenance	Operating Costs	3,948		
		1133	Public Health (Food & Alcohol Premises, Dog Registrations)	Income Operating Costs	(2,392) 6,205		

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000		
Social and Recreation	5.3	11134	Noise Monitoring	Operating Costs	934		
		1135	Anti-Graffiti Flying Squad	Operating Costs	968		
		1136	Safe City Project Operations	Operating Costs	2,134		
		1137	Civil Defence	Income Operating Costs	(14) 2,156		
		1138	Rural Fire	Income Operating Costs	0 46		
		Total - 5.3 Public health and safety					15,106
Total - 5 Social and Recreation					94,632		
Urban Development	6.1	1139	District Plan	Income Operating Costs	(22) 3,787		
		1141	Build Wellington Developments	Operating Costs	1,479		
		1142	Public Art and Sculpture Maintenance	Operating Costs	411		
		1143	Public Space-Centre Development Plan	Operating Costs	2,181		
		1145	City Heritage Development	Operating Costs	1,062		
		1206	Housing Investment Programme	Income Operating Costs	(1,009) 2,112		
		Total - 6.1 Urban development, heritage and public spaces development					10,000
		6.2	1146	Building Control and Facilitation	Income Operating Costs	(7,432) 17,857	
			1147	Weathertight Homes	Operating Costs	30	
			1148	Development Control and Facilitation	Income Operating Costs	(2,686) 7,506	
1149	Earthquake Assessment Study		Operating Costs	93			
1151	Earthquake Risk Building Project		Operating Costs	1,788			
Total - 6.2 Building and development control					17,156		
Total - 6 Urban Development					27,156		

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000
Transport	7.1	1152	Ngauranga to Airport Corridor	Operating Costs	642
		1153	Transport Planning and Policy	Operating Costs	1,460
		1154	Road Maintenance and Storm Clean Up	Income Operating Costs	(1,155) 2,554
		1155	Tawa Shared Driveways Maintenance	Operating Costs	29
		1156	Wall, Bridge and Tunnel Maintenance	Income Operating Costs	(166) 392
		1157	Drains & Walls Asset Stewardship	Income Operating Costs	(357) 7,137
		1158	Kerb & Channel Maintenance	Income Operating Costs	(415) 897
		1159	Vehicle Network Asset Stewardship	Income Operating Costs	(632) 25,767
		1160	Port and Ferry Access Planning	Operating Costs	73

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000
Transport	7.1	1161	Cycleways Maintenance	Income Operating Costs	(83) 176
		1162	Cycleway Asset Stewardship	Operating Costs	1,282
		1163	Cycleways Planning	Income Operating Costs	(103) 3,012
		1164	Passenger Transport Facilities	Income Operating Costs	(286) 751
		1165	Bus Shelter Contract Income	Income Operating Costs	(635) 4
		1166	Passenger Transport Asset Stewardship	Operating Costs	1,057
		1167	Bus Priority Plan	Operating Costs	64
		1168	Cable Car	Operating Costs	12
		1170	Street Furniture Maintenance	Income Operating Costs	(6) 390
		1171	Footpaths Asset Stewardship	Income Operating Costs	(72) 6,775
		1172	Pedestrian Network Maintenance	Income Operating Costs	(447) 921
		1173	Pedestrian Network Structures Maintenance	Income Operating Costs	(96) 200
		1174	Traffic Signals Maintenance	Income Operating Costs	(734) 1,546
		1175	Traffic Control Asset Stewardship	Income Operating Costs	(144) 2,893
		1176	Road Marking Maintenance	Income Operating Costs	(804) 1,720
		1177	Traffic Signs Maintenance	Income Operating Costs	(184) 424
		1178	Network Activity Management	Income Operating Costs	(1,214) 1,573
		1179	Street Lighting Maintenance	Income Operating Costs	(1,420) 2,647
		1180	Transport Education & Promotion	Income Operating Costs	(206) 856
		1181	Fences & Guardrails Maintenance	Income Operating Costs	(240) 544
		1182	Safety Asset Stewardship	Income Operating Costs	(27) 3,683
		1209	LGWM - Mass Rapid Transit	Operating Costs	3,110
		1210	LGWM - State Highway Improvements	Operating Costs	2,442
1211	LGWM - Travel Demand Management	Operating Costs	416		
1212	LGWM - City Streets	Operating Costs	2,017		
1213	LGWM - Early Delivery	Operating Costs	853		
Total - 7.1 Transport					68,892

Summary by Operational Expenditure by Activity 2020/21 Annual Plan Budget report

Strategy	Activity Group	Activity	Activity Description		2020/21 Annual Plan \$000
Transport	7.2	1184	Parking Services & Enforcement	Income	(28,513)
				Operating Costs	17,134
		1185	Waterfront Parking Services	Income	(606)
				Operating Costs	201
Total - 7.2 Parking					(11,783)
Total - 7 Transport					57,109
Council	10.1	1186	Waterfront Commercial Property Services	Income	(2,134)
				Operating Costs	4,428
		1187	Commercial Property Management & Services	Income	(2,654)
				Operating Costs	6,087
		1191	NZTA Income on Capex Work	Income	(25,362)
				Operating Costs	0
		1193	Self Insurance Reserve	Income	0
				Operating Costs	1,619
		1196	External Capital Funding	Income	(1,491)
				Operating Costs	0
		1197	Plimmer Bequest Project Expenditure	Income	(750)
	Operating Costs		2		
1198	Waterfront Utilities Management	Income	(226)		
		Operating Costs	449		
1200	ORG	Income	(375,016)		
		Operating Costs	20,176		
1204	Sustainable Parking Infrastructure	Income	160		
		Operating Costs	0		
Total - 10.1 Organisational Projects					(374,712)
Total - 10 Council					(374,712)
Grand total					55,599

Capital Projects and programmes

Summary by Capital Expenditure by Activity 2020/21 Annual Plan Budget report - 1 year

Strategy	Activity Group	Activity Group Description	Activity	Activity Description	2020/21 Annual Plan \$000										
Governance	1.1	Governance information and engagement	2000	Committee & Council Processes	0										
				Governance Total	0										
Environment	2.1	Gardens, beaches and green open spaces	2003	Parks Infrastructure	1,045										
				2004	Parks Buildings	603									
					2005	Plimmer Bequest Project	825								
						2006	Botanic Garden	920							
							2007	Coastal - upgrades	65						
								2008	Coastal	673					
									2009	Town Belt & Reserves	1,528				
										2010	Walkways renewals	679			
											2.2	Waste reduction and energy conservation	2011	Southern Landfill Improvement	6,764
														2.3	Water
	2014	Water - Pump Station renewals	398												
		2015	Water	Water - Water Meter upgrades							514				
	2016				Water						Water - Network upgrades	2,668			
		2018	Water	Water - Network renewals		1,443									
	2019				Water	Water - Reservoir renewals	148								
		2020	Water	Water - Reservoir upgrades			16,319								
	2.4				Wastewater	2023	Wastewater - Network renewals	11,014							
		2024	Wastewater	Wastewater - Network upgrades			1,453								
							2026	Wastewater	Wastewater - Pump Station renewals	1,074					
2.5	Stormwater	2028	Stormwater - Network upgrades	4,101											
			2029	Stormwater	Stormwater - Network renewals	3,701									
2.6	Conservation attractions	2033				Zoo renewals	955								
			2034	Zoo	Zoo upgrades	1,759									
						2135	Zealandia	Zealandia	1,139						
Environment Total					64,872										

Summary by Capital Expenditure by Activity 2020/21 Annual Plan Budget report - 1 year

Strategy	Activity Group	Activity Group Description	Activity	Activity Description	2020/21 Annual Plan \$000
Economic Development	3.1	City promotions and business support	2035	Wellington Venues renewals	12,809
Economic Development Total					12,809
Cultural Wellbeing	4.1	Arts and cultural activities	2038	Gallery & Museum Upgrades	5,358
		Arts and cultural activities	2042	Arts Installation	33
		Arts and cultural activities	2129	Wellington Convention & Exhibition Centre (WCEC)	47,278
Cultural Wellbeing Total					52,669
Social and Recreation	5.1	Recreation promotion and support	2044	Aquatic Facility renewals	1,657
		Recreation promotion and support	2045	Sportsfields upgrades	479
		Recreation promotion and support	2048	Recreation Centre Renewal	81
		Recreation promotion and support	2049	ASB Sports Centre	305
		Recreation promotion and support	2050	Basin Reserve	4,822
		Recreation promotion and support	2051	Playgrounds renewals & upgrades	1,965
		Recreation promotion and support	2052	Evans Bay Marina - Renewals	703
		Recreation promotion and support	2053	Clyde Quay Marina - Upgrade	559
	5.2	Community participation and support	2054	Upgrade Library Materials	2,314
		Community participation and support	2055	Upgrade Computer Replacement	89
		Community participation and support	2056	Central Library upgrades	19
		Community participation and support	2058	Branch Libraries renewals	302
		Community participation and support	2060	Housing renewals	10,157
		Community participation and support	2061	Community Halls - upgrades & renewals	6,296
	5.3	Public health and safety	2062	Burial & Cremations	388
		Public health and safety	2063	Public Convenience and pavilions	2,722
		Public health and safety	2064	Safety Initiatives	117
		Public health and safety	2065	Emergency Management renewals	82
Social and Recreation Total					33,055

Summary by Capital Expenditure by Activity 2020/21 Annual Plan Budget report - 1 year

Strategy	Activity Group	Activity Group Description	Activity	Activity Description	2020/21 Annual Plan \$000
Urban Development	6.1	Urban development, heritage and public spaces development	2067	Wgtn Waterfront Development	8
		Urban development, heritage and public spaces development	2068	Waterfront Renewals	1,100
		Urban development, heritage and public spaces development	2070	Central City Framework	528
		Urban development, heritage and public spaces development	2073	Suburban Centres upgrades	85
		Urban development, heritage and public spaces development	2074	Minor CBD Enhancements	63
		Urban development, heritage and public spaces development	2136	Housing Investment Programme	2,827
	6.2	Building and development control	2076	Earthquake Risk Mitigation	41,970
Urban Development Total					46,582
Transport	7.1	Transport	2075	Urban Regeneration Projects	256
		Transport	2077	Wall, Bridge & Tunnel Renewals	8,640
		Transport	2078	Road Surface Renewals	1,859
		Transport	2079	Reseals	2,527
		Transport	2080	Preseal Preparations	3,844
		Transport	2081	Shape & Camber Correction	4,796
		Transport	2082	Sumps Flood Mitigation	258
		Transport	2083	Road Corridor New Walls	2,392
		Transport	2084	Service Lane Improvements	124
		Transport	2085	Tunnel & Bridge Improvements	1,963
		Transport	2086	Kerb & Channel Renewals	2,344
		Transport	2087	Vehicle Network New Roads	52
		Transport	2088	Road Risk Mitigation	4,907
		Transport	2089	Roading Capacity Projects	370
		Transport	2090	Area Wide Road Maintenance	969
		Transport	2091	Port and Ferry Access	157
		Transport	2094	Cycling Improvements	8,888
		Transport	2095	Bus Priority Planning	5,818
		Transport	2096	Pedestrian Network Structures	512
		Transport	2097	Pedestrian Network Renewals	3,880
		Transport	2098	Walking Improvements	515
		Transport	2099	Street Furniture	305

Summary by Capital Expenditure by Activity 2020/21 Annual Plan Budget report - 1 year

Strategy	Activity Group	Activity Group Description	Activity	Activity Description	2020/21 Annual Plan \$'000
Transport	7.1	Transport	2100	Pedestrian Network Accessways	252
		Transport	2101	Traffic & Street Signs	1,220
		Transport	2102	Traffic Signals	1,009
		Transport	2103	Street Lights	1,236
		Transport	2104	Rural Road Improvements	112
		Transport	2105	Minor Works Projects	1,855
		Transport	2106	Fences & Guardrails	699
		Transport	2107	Safer Roads Projects	1,586
		Transport	2134	Lambton Quay Bus Interchange	0
		Transport	2141	LGWM - City Streets	1,539
		Transport	2142	LGWM - Early Delivery	5,392
	7.2	Parking	2108	Parking Asset renewals	438
		Parking	2109	Roadside Parking Improvements	123
	Transport Total				
Council	10.1	Organisational Projects	2111	Capital Replacement Fund	3,689
		Organisational Projects	2112	Information Management	277
		Organisational Projects	2114	ICT Infrastructure	2,667
		Organisational Projects	2116	Strategic Initiatives	0
		Organisational Projects	2117	Unscheduled infrastructure renewals	0
		Organisational Projects	2118	Health & Safety - Legislation Compliance	343
		Organisational Projects	2119	Civic Property renewals	1,069
		Organisational Projects	2120	Commercial Properties renewals	724
		Organisational Projects	2121	Community & Childcare Facility renewals	600
		Organisational Projects	2126	Business Unit Support	1,049
		Organisational Projects	2127	Workplace	1,177
		Organisational Projects	2128	Civic Campus Resilience and Improvements	4,202
		Organisational Projects	2131	Smart Council	1,736
		Organisational Projects	2132	Digital - Internet Intranet	0
		Organisational Projects	2133	Quarry Renewals and Upgrades	173
		Organisational Projects	2138	Permanent Forest Sink Fund Initiative - Carbon Credits	0
		Organisational Projects	2140	Security	600
Council Total					18,306
Grand Total					299,130

Appendices

Appendix 1:

Pandemic Response and Recovery Plan

To ensure Wellington gets through the Pandemic in the best possible shape and the City recovers as fast as possible.

1.

Council Financial Support

With the lockdown in place, some businesses and households were facing significant financial hardship. The government provided a range of support mechanisms as did banks. Council:

- provided support to businesses and commercial ratepayers by providing the ability to defer fourth quarter rates without penalty for six months
- provided a variety of rent relief or rent payment plans for the balance of 2019/20 to organisations, businesses and clubs that use council facilities
- reduced the timeframes for payments to suppliers who provide goods and services to Council from 20 to 7 days to help with cash-flow.

2.

Council Services

Council services are important for community wellbeing. While many were temporarily on hold, essential services continue to be delivered and others were delivered in a different way. Council services will play an important part of the recovery phase, and Council costs also impact many businesses. Council:

- reduced many fees such as alcohol and food licence fees to support the hospitality sector
- provided a rebate for pavement licence holders for the equivalent of the fourth quarter of 2019/20
- provided ongoing support through Council grants to Wellington community groups
- froze pool and council gym membership costs for the duration of the lockdown.

3.

Community Wellbeing

As we move through COVID-19 and into recovery we will work with our partners to understand and address emerging needs.

- To assist us we will provide additional grant funding of \$1.5m to support community and social service organisations to address these needs
- Continue work with our partners to address homelessness and ensure the increased transitional housing capacity developed through the COVID-19 response is maintained
- We recognise there is a need have an increased focus on wellbeing and harm reduction programmes such as family violence and we will take a partnership approach to address increased need in this area
- To ensure food is available to people in need we will continue with our food security work programme
- Renewed emphasis on programmes that improve local resilience and wellbeing - including restoring the function of community centres.
- Get people active - provide discounted or free entry to facilities like the Zoo, Zealandia and Council pools for a period of time to encourage people.

4.

Economic Recovery

Businesses pay 45 percent of the total rates in the city, and provide jobs for Wellingtonians as well many others in the region. It is important that businesses are supported through the lockdown so they can be at the forefront of the economic recovery. Actions include:

- Business support - WellingtonNZ operating a business advice line and running a series of webinars and online workshops for the business community
- City Recovery Fund - a fund of up to \$8m to support and boost the economic recovery including support for the creative and innovative sectors.

5.

Absolutely Positively Wellington

Wellington has a strong sense of community and is no stranger to a crisis. As shown with the earthquake in 2016, Wellingtonians are resilient and look after each other in times of need. This area of focus is about maintaining pride in the city, looking after each other, and looking after everything local. There are two main aspects:

- Buy local - the #LoveLocal programme will be geared up to encourage Wellingtonians to buy from and support local Wellington businesses and those across the region
- Pride in the city - a range of initiatives will be undertaken to encourage the Absolutely Positively Wellington pride in our city, foster Wellingtonians' caring spirit and find new ways in which we can support each other.

6.

Regional & Central Government Collaboration

As part of the recovery phase it will be important that economic stimulus projects are strongly aligned with central government efforts to ensure benefits are maximised. The key areas of focus are:

- Preparing a package of 10 'shovel ready' projects to support economic growth and job creation in the region
- Partnering with Wellington stakeholders and our CCOs on a future programme of work to assist city recovery
- Working alongside mana whenua towards a strong recovery for our city, whānau and hapori
- Advocate to central government for funding and other support to assist with the recovery of Wellington, a capital fit for the future.

Appendix 2:

Rates payment flexibility

We are proposing flexibility for how and when rates are paid for 2020/21 for ratepayers who are impacted by Covid-19.

For those requiring help paying the 4th instalment of rates in 2019/20, please refer to your rates bill or wellington.govt.nz/rates for more information.

Rates related policy changes Rates Postponement policy

We are making some changes to our rates postponement policy to enable better support to ratepayers facing financial hardship during the COVID-19 pandemic. The changes below are an addition to our existing policy which caters for rates postponement for residential and commercial ratepayers facing financial hardship. Residents can apply for a rates deferral under the existing rates remission and rates postponement policy criteria. Applications for a rates postponement must be made in writing. New criteria for commercial ratepayer's rates deferral due to COVID-19 have been added as follows:

Covid-19 Pandemic Response Rates Postponement

Relief of up to six months rates postponement (deferred payment) can be provided for commercial, business and industrial ratepayers.

Criteria for the postponement of rates for commercial, industrial

and business ratepayers in cases of financial hardship due to the Covid-19 pandemic are as follows:

- i. Commercial (Non-residential) ratepayers or their tenants will be able to illustrate experiencing financial hardship resulting from natural disaster or other type of local or national emergency eg Covid-19 through either:
 1. Qualification for Government Covid-19 wage subsidy; or
 2. Qualification for Government Covid-19 Business Finance Guarantee Scheme; or
 3. Qualification for a mortgage 'holiday' from the bank;
 4. Qualification for other Government funded schemes or initiatives relating to the natural disaster or other type of local or national emergency
- ii. Show that benefits of relief are passed through to tenants.
- iii. The rateable property is not owned and/or occupied by a central government agency, crown entity, state owned enterprise or utility company as these are excluded from qualification.

This postponement relates specifically to the rates invoices for the 2019/20 4th quarter (due 1 June 2020) and the 2020/21 1st Quarter (due 1 September 2020). Deferred payment will attract interest at a rate of 2 percent per annum. Interest will be calculated quarterly. For Q4 2019/20 this is on the 15 July 2020 and 15 October 2020 and added to the unpaid balance of the postponed rate amount of instalment four for the 2019/20 rating year. For Q1 2020/21 this is on the 15th October 2020 and 15 January 2021.

This rates postponement ceases on 31 December 2020 for Q4 2019/20, and 31 March 2021 for Q1 2020/21, unless extended by a resolution of Council prior to that date. This may be in the form of an extension to the duration of the period of postponement and/or the inclusion of postponement of additional rate(s) invoices.

Rates instalment penalties and rates arrears penalties relating to successful applications will not be added during the period of approved deferral. All other outstanding unpaid balances will attract the normal penalty fees.

Appendix 3:

Detailed performance information

How we will monitor performance

Performance measures

- We use performance measures to track how well we are delivering services against targets.
- Please note the following when reading these measures.
- These measures represent the range of data we collect, which will inform how well we are delivering our services. When we report on our performance, it may be on groups of measures rather than individual measures in order to clearly tell our performance story.
- For Council Controlled Organisations (CCOs), measures are to be confirmed through the Statement of Intent (SOI) process through the Council's CCO subcommittee. Detailed measures can be found in these SOIs on our website.
- Baseline targets - as some measures were new in our 10 year plan, actual results are being used to establish a 'baseline' to set future targets.

Performance measure	Target 2019/20	Target 2020/21
1.1 Governance, information and engagement		
Facilitating democratic decision-making		
Meeting and committee agendas (%) made available to the public within statutory timeframes	100%	100%
Meeting and committee agendas (%) made available to the public at least 4 days prior to meetings	70%	70%
Community engagement		
Residents (%) who believe they have adequate opportunities to have their say in Council activities	45%	45%
Residents (%) who state they are satisfied with how the Council makes decisions	45%	45%
Providing information and a point of contact		
Contact Centre - Contacts responded to within target timeframes (calls)	85%	85%
Contact Centre - Contacts responded to within target timeframes (emails, web form and FIXiT)	100%	100%
City Archives - users (%) satisfied with services and facilities	75%	75%
Residents (%) who agree that Council information is easy to access (via website, libraries, social media, newspapers etc)	55%	55%
Residents (%) who agree that the Council is proactive in informing residents about their city	70%	70%
Official information requests (%) handled within Local Government Official Information and Meetings Act legislative timeframe	90%	90%
1.2 Māori and mana whenua partnerships		
Relationship with mana whenua		
Mana whenua satisfaction with their relationship with Wellington City Council	Satisfied	Satisfied
The extent to which (how satisfied) mana whenua partners believe (are) that the Council is meeting its obligations under Te Tiriti o Waitangi with respect to Partnership, Protection and Participation (narrative-based measure based on interviews)	Satisfied	Satisfied
Engaging Māori residents in decisions		
Māori residents (%) who believe that they have adequate opportunities to have their say in decision-making	75%	75%

Performance measure	Target 2019/20	Target 2020/21
Promoting Māori culture		
Māori residents (%) who agree that the Council is taking an active role in revitalising te reo Māori	75%	75%
Māori residents (%) who agree that the Council is taking an active role in revitalising Māori cultural heritage	75%	75%
Performance measure	Target 2019/20	Target 2020/21
2.1 Parks, beaches and open spaces		
Utilisation		
Number of visitors to the Wellington Botanic Gardens and Otari-Wilton's Bush	1,280,000	900,000
<i>Estimated 30% reduction due to impact of Covid-19 on tourism</i>		
Number of formal education attendees at Council programmes (School & Community)	Baseline	2,000
Attractiveness		
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%
Protecting and enhancing our biodiversity		
Establish 2 million native plants by 2025	1,815,000	1,850,000
Hectares of high-value biodiversity sites covered by coordinated pest management	Baseline	296
Affordability		
Cost to the ratepayer per visitor to the Wellington Botanic Gardens and Otari-Wilton's Bush	Baseline	< \$4.20
Community engagement		
Proportion of households engaged in Council-coordinated pest trapping	Baseline	30%
Number of plants supplied for community planting	35,000	35,000
2.2 Waste reduction and energy conservation		
Recycling		
Residents (%) who use WCC recycling services regularly	90%	90%
Affordability		
Cost per household (per annum) for kerbside recycling	Baseline	\$86.00
Customer satisfaction		
Residents (%) satisfied with kerbside recycling service	85%	85%
Users (%) satisfied with waste collection service	90%	90%
Sustainable landfill operation		
Estimated efficiency of gas capture system (% of estimated gas produced that is captured and destroyed)	Baseline	Baseline
Waste minimisation activities		
Volume of waste diverted from landfill (tonnes)	20,000	20,000
Number of participants in waste minimisation and education programmes run by WCC	Baseline	3,000
Energy conservation		
Energy cost (\$)	Baseline	Baseline
Amount of energy used (kWh)	Baseline	Reduce by 5% pa
Estimated energy savings	Baseline	5% pa
WCC corporate greenhouse gas emissions (tonnes)	Achieve 2050 target	Achieve 2050 target

Performance measure	Target 2019/20	Target 2020/21
2.3 Water		
Clean and safe		
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria)*	Compliant	Compliant
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) Part 5 protozoal compliance criteria)*	Compliant	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	<20
Continuity of supply and resolution of faults		
Median response time for attendance for urgent call outs*	≤ 60 min	≤ 60 min
Median response time for resolution for urgent call outs*	≤ 4 hours	≤ 4 hours
Median response time for attendance for non-urgent call outs*	≤ 36 hours	≤ 36 hours
Median response time for resolution for non-urgent call outs*	≤ 5 days	≤ 5 days
Water supply interruptions (measured as customer hours)	Baseline	Baseline
Efficiency and sustainability		
Percentage of real water loss from networked reticulation system *	<17%	<17%
Average drinking water consumption resident/day*	365ltr	365ltr
2.4 Wastewater		
Compliance and sustainability		
Dry weather wastewater overflows, expressed per 1000 connections*	0	0
Compliance with the resource consents for discharge from the sewerage system, measured by the number of:		
Abatement notices	0	0
Infringement notices	0	0
Enforcement orders	0	0
Convictions*	0	0
Meeting customer expectations		
Number of complaints about the wastewater odour, system faults, blockages, and supplier responsiveness, expressed per 1000 connections*	<30/1000	<30/1000
Continuity of service and resolution of faults		
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	≤0.8	≤0.8
Median response time for wastewater overflows* (attendance time)	≤1 hour	≤1 hour
Median response time for wastewater overflows* (resolution time)	≤6 hours	≤6 hours
2.5 Stormwater		
Continuity of service and resolution of faults		
Number of flooding events*	Baseline	Baseline
Number of pipeline blockages per km of pipeline	≤0.5	≤0.5
Number of habitable floors per 1000 connected homes per flooding event*	Baseline	Baseline
Median response time to attend a flooding event*	≤60 minutes	≤60 minutes
Days (%) during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use	90%	90%

Performance measure	Target 2019/20	Target 2020/21
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%
Compliance with the resource consents for discharge from the stormwater system, measured by the number of:		
Abatement notices	0	0
Infringement notices	0	0
Enforcement orders	0	0
Convictions*	0	0
Meeting customer expectations		
Number of complaints about stormwater system performance per 1000 connections*	<20/1000	<20/1000
Residents (%) satisfied with the stormwater system	75%	75%
2.6 Conservation attractions		
Wellington Zoo – for CCO measures refer to CCO's Statement of Intent.		Refer SOI
ZEALANDIA – for CCO measures refer to CCO's Statement of Intent.		Refer SOI
Performance measure	Target 2019/20	Target 2020/21
3.1 City promotions and business support		
Business Improvement Districts		
Total targeted rates collected from and paid to Business Improvement Districts	335,000	342,000
WellingtonNZ – for CCO measures refer to CCO's Statement of Intent.		
Wellington Regional Stadium Trust – for measures refer to Trust Statement of Intent.		
Performance measure	Target 2019/20	Target 2020/21
4.1 Arts and cultural activities		
High quality events		
Attendees (%) satisfied with Council-delivered arts and cultural festivals	90%	90%
Estimated attendance at WCC-supported and delivered events.	Trend	Trend
Arts and cultural sector support		
Users (%) satisfied with Toi Pōneke facilities and services	90%	90%
Users (%) satisfied with Toi Pōneke staff	New	90%
Funding Success		
Grant outcomes (%) achieved (through funded outcomes – four out of five – being met) – Arts and Culture Fund	80%	80%
Wellington Museums Trust – for CCO measures refer to CCO's Statement of Intent.		Refer SOI
Performance measure	Target 2019/20	Target 2020/21
5.1 Recreation promotion and support		
High quality experience		
User satisfaction (%) – pools	90%	90%
User satisfaction (%) – recreation centres including ASB Sports Centre	90%	90%
User satisfaction (%) – sportsfields (grass)	85%	85%
User satisfaction (%) – sportsfields (artificial)	85%	85%

Performance measure	Target 2019/20	Target 2020/21
Scheduled sports games and trainings (%) that take place (all sportsfields) Summer	Baseline	95%
Scheduled sports games and trainings (%) that take place (all sportsfields) Winter	Baseline	85%
Utilisation		
Artificial sports-field (%) utilisation – peak winter	80%	80%
Artificial sports-field (%) utilisation – peak summer	40%	40%
Artificial sports-field (%) utilisation – off-peak winter	25%	25%
Artificial sports-field (%) utilisation – off-peak summer	20%	20%
Swimming pool visits (by facility) <i>Estimated 15% reduction due to impact of Covid-19</i>	1,321,000	1,122,000
Marinas occupancy (%)	96%	96%
Recreation centre visits (including ASB Sports Centre)	1,165,000	1,165,000
ASB Sports Centre court space utilisation (%) – peak	65%	65%
ASB Sports Centre court space utilisation (%) – off-peak	50%	50%
Number of uses of Leisure Card	148,000	148,000
Berhampore Golf course users	Baseline	1,770
Affordability		
Residents' perception that pool admission charges are affordable	Baseline	60%
Ratepayer subsidy per swim	Baseline	<\$13.60
Ratepayer subsidy per court/hour (ASB Sports Centre)	Baseline	<\$6.25
City recreation promotion		
Number of international and national events at Council recreation facilities	Baseline	Baseline
Estimated attendees of international and national events at Council recreation facilities	Baseline	Baseline
Basin Reserve Trust – for CCO measures refer to CCO's Statement of Intent.		Refer SOI
5.2 Community Support		
Libraries experience		
User satisfaction (%) with library services	90%	90%
User satisfaction (%) with library facilities	Baseline	70%
User satisfaction (%) with library collection (physical)	75%	75%
User satisfaction (%) with library collection (e-library)	80%	80%
Libraries utilisation		
Library items issued (physical)	Baseline	2,200,000
Library items issued (e-library)	340,000	340,000
Estimates of attendees of library programmes	75,000	Baseline
Library physical visits	2,400,000	2,400,000*
Library website visits	3,300,000	3,300,000
Residents (%) who are active library users	75%	75%
Libraries amenity		
Customers (%) who think the library helped them to gain new knowledge and skills	Baseline	70%

Performance measure	Target 2019/20	Target 2020/21
Customers (%) who think the library helped them to connect with others and ideas	Baseline	50%
Customers (%) who think the library helped them to improve their job and earning potential	Baseline	25%
Customers (%) who think the library contributed to their sense of belonging in the community	Baseline	65%
Libraries affordability		
Cost to the ratepayer per library transaction	Baseline	Baseline
Community centres utilisation		
Occupancy (%) of Council community centres and halls	45%	45%
Funding success		
Grants outcomes (%) achieved (through funded outcomes - four out of five - being met) - Social and Recreation Fund	80%	80%
Housing quality and usage		
Tenant satisfaction (%) with services and facilities	90%	90%
Tenant rating (%) of the overall condition of their house/apartment (average, good, and very good)	90%	90%
Tenant (%) sense of safety in their complex at night	75%	75%
Occupancy rate of available housing facilities	90%	90%
All tenants (existing and new) housed within policy	98%	98%
Housing upgrade project		
Agreed milestones, design standards and budgets are met in accordance with the agreed works programme and Deed of Grant between the Crown and the Council	To achieve	To achieve
5.3 Public health and safety		
Compliance		
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	100%	100%
Efficiency		
Alcohol licences - high to very high premises (%) inspected during peak time	50%	50%
Alcohol licences - very high risk premises (%) inspected twice during the year	100%	100%
Timeliness		
Graffiti removal - response time frames (%) met	80%	80%
Dog control - urgent requests (%) responded to within 1 hour	100%	100%
Dog control - non-urgent requests (%) responded to within 24 hours	99%	99%
Public toilets - urgent requests (%) responded to within 4 hours	100%	100%
Public toilets - non-urgent requests (%) responded to within 3 days	95%	95%
Hygiene standard		
Toilets (%) that meet required cleanliness and maintenance performance standards	95%	95%
Performance measure	Target 2019/20	Target 2020/21
6.1 Urban planning, heritage and public spaces development		
High-quality development		
Residents (%) who agree that new buildings constructed in the city maintain or enhance the city's attractiveness	Baseline	60%
Residents (%) who agree that regeneration of areas of the city adds to its vibrancy (eg laneways)	Baseline	85%
Residents (%) who agree that the public areas of their suburban centre - encourage use	Baseline	70%

Performance measure	Target 2019/20	Target 2020/21
Residents (%) who agree that the public areas of their suburban centre -feel safe	Baseline	70%
Residents (%) who agree that the public areas of their suburban centre -are well designed	Baseline	40%
Economic impact of urban regeneration projects (specific methodology to be scoped)	Baseline	Baseline
Protecting heritage		
Residents (%) who agree that heritage items are adequately valued and protected in the city	65%	70%
Number of heritage-listed buildings that are earthquake prone	Baseline	10% reduction
Residents (%) who agree that the character of historic suburbs is adequately retained	70%	70%
6.2 Building and development		
Effective planning		
Residents' agreement that our building and development control settings strike the right balance between allowing development and preserving the character of the city	Baseline	45%
Timeliness		
Building consents (%) issued within 20 working 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	Baseline	90%
Compliance		
Building Consent Authority (BCA) accreditation retention	Retain	Retain
Performance measure	Target 2019/20	Target 2020/21
7.1 Transport network		
Network condition and maintenance		
Roads (%) that meet smooth roads standards*	70%	70%
Structures (%) that have been condition rated in the past five years - walls	100%	100%
Structures (%) that have been condition rated in the past five years - bridges and tunnels	100%	100%
Structures (%) in serviceable (average) condition or better - walls	97%	97%
Structures (%) in serviceable (average) condition or better - bridges	100%	100%
Structures (%) in serviceable (average) condition or better - tunnels	100%	100%
Residents (%) satisfied with street lighting in the central city	85%	85%
Residents (%) satisfied with street lighting in suburbs	75%	75%
Requests for service (%) response rate - urgent within 2 hours	98%	98%
Requests for service (%) response rate - non-urgent within 15 days	98%	98%
Footpaths (%) in average condition or better (measured against WCC condition standards*)	96%	96%
Sealed local road network (%) that is resurfaced*	target range 8.9-9.9%	target range 8.9-9.9%

Performance measure	Target 2019/20	Target 2020/21
Residents (%) satisfaction with the condition of local roads in their neighbourhood	75%	75%
Active modes promotion		
Number of pedestrians entering and leaving the CBD	Inc on last year	Inc on last year
Number of cyclists entering and leaving the CBD	Inc on last year	Inc on last year
Network safety		
Residents (%) who are satisfied with walking on Wellington's footpaths	75%	75%
Residents (%) who are satisfied with cycling on Wellington's cycleways	75%	75%
Network efficiency and congestion		
Residents (%) who think peak travel times are acceptable	majority	majority
Peak travel times between CBD and suburbs (Karori, Johnsonville, Island Bay and Miramar)	Each route <25min	Each route <25min
PT enablement		
Bus stops (%) that have a shelter (co-delivered with GWRC)	Baseline	30%
Wellington Cable Car Limited - for CCO measures refer to CCO's Statement of Intent.		
7.2 Parking		
Equity		
Residents (%) who perceive that parking enforcement is fair	>50%	>50%
Availability		
City parking occupancy during weekdays (8am-6pm)	50-70%	50-70%
City parking occupancy during weekends (8am-6pm)	50-70%	50-70%
Residents (%) satisfaction with the availability of on-street car parking (weekdays)	70%	70%
Residents (%) satisfaction with the availability of on-street car parking (weekend)	70%	70%

Rates help pay for many of the things Wellingtonians love about their city – open green spaces, clean beaches, libraries, recreation centres, as well as our core roading, water and social services.

Appendix 4

Te Koromatua me ō Kaikaunihera Your Mayor and Councillors

The Wellington City Council is made up of 14 elected Councillors and a Mayor. The Council is elected, along with all other local authority elected members in New Zealand, every 3 years. The Mayor is elected by the city's residents. The Councillors are elected by voters from the wards they represent. The wards and number of elected Councillors for each are:

Citywide



Andy Foster Mayor

021 227 8537
Mayor@wcc.govt.nz

Chair
Council

Portfolio Leader
Transport and Urban Development

Paekawakawa | Southern Ward



Fleur Fitzsimons

027 803 0515
Fleur.Fitzsimons@wcc.govt.nz

Chair
Grants Subcommittee

Portfolio Leader
Community Wellbeing



Laurie Foon

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Portfolio Leader
Waste Minimisation
Associate Economic Development

Takapū | Northern Ward



Jenny Condie

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Chair
Council-Controlled
Organisations Subcommittee

Portfolio Leader
Associate Transport



Jill Day

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Chair
Strategy and Policy Committee

Portfolio Leader
Māori Partnerships
Associate Community Wellbeing



Malcolm Sparrow

027 232 2320
Malcolm.Sparrow@wcc.govt.nz

Chair
Regulatory Processes Committee

Portfolio Leader
Associate Resilience

Motukairangi | Eastern Ward



Sarah Free Deputy Mayor

022 121 6412
Sarah.Free@wcc.govt.nz

Chair
Long Term Plan and
Annual Plan Committee

Portfolio Leader
Governance
Associate Transport



Sean Rush

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Portfolio Leader
Associate Urban Development
Infrastructure



Teri O'Neill

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Portfolio Leader
Natural Environment
Associate Community Wellbeing

Pukehinau | Lambton Ward



Iona Pannett

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Portfolio Leader
Associate Urban Development



Nicola Young

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Portfolio Leader
Arts, Culture and Events
Associate Urban Development
Associate Economic Development



Tamatha Paul

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Portfolio Leader
Climate Change
Associate Community Wellbeing

Wharangi | Onslow-Western Ward



Diane Calvert

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Chair
CEO Performance Review
Committee, Finance, Audit and
Risk Subcommittee

Portfolio Leader
Economic Development



Rebecca Matthews

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Portfolio Leader
Community Engagement
Associate Community Wellbeing



Simon Woolf

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Portfolio Leader
Sport and Recreation

J010841

Absolutely Positively
Wellington City Council

Me Heke Ki Pōneke