

Chief Executive's Report



GARRY POOLE Chief Executive



The Council's activities are at the foundation of city life.

From essential infrastructure to kids' sports to cultural festivals the Council plays an important part in the quality of life that Wellington offers.

This Annual Report explains how we have delivered the Council's varied programme of activities for 2009/10, including achievement of performance targets and budgets.

This programme was set out in the Council's 2009-19 long-term plan, which was prepared against a backdrop of global economic turbulence. In general, that programme aimed for a 'business as usual' approach that ensured affordability, while also investing in areas of competitive advantage.

Overall, the Council and the city have enjoyed another positive year despite the difficult global environment.

As outlined in the financial summary on page xiv, both income and spending were slightly above budget, though the variances were largely due to accounting changes such as asset revaluations (see financial performance on page vii). The Council recorded a small underlying surplus of \$1.5 million, a fair result in the current climate.

As you'll see throughout this report, we are generally performing well against our targets or past achievements. Where we fell short of the levels we expect, we are working to address this and sustain the city's place as an affordable and internationally competitive city.

The projects outlined in the long-term plan were generally completed or on track for completion, except when there were factors beyond our control - for example, legal action delaying the opening of Manners Mall to buses, and central government decisions delaying the planned National Memorial Park.

During the year, we carried out a Council-wide review of health and safety culture and practices. This followed the tragic death of a Council staff member in a vehicle accident at the Southern Landfill in 2008, for which the Council pleaded guilty to a charge under the Health and Safety in Employment Act. The review made a number of recommendations, which we have begun to implement in order to ensure that staff and members of the public are safe in our workplaces.

My thanks to all Council staff for their efforts throughout the year.

HIGHLIGHTS

The city offers a variety of activities - the Council staff and Council-controlled organisations worked hard during the year to deliver the programme for 2009/10 that was set down in the Council's 2009-19 long-term plan.

KEY PROJECTS

Key projects we delivered or made progress on included the following:

- Construction of the new \$47.5 million 12-court indoor community sports centre got under way. The centre, which has seating for 1,000 spectators, will provide facilities for netball, basketball and a range of other indoor sports. The centre is on track for completion in winter 2011.
- The City Gallery extension was completed and the gallery was reopened in September 2009. The extension featured a new two-storey tower block and three new gallery spaces, dedicated to Māori and Pacific art, Wellington artists, and the civic art collection. The gallery reopened with *Mirrored Years*, an exhibition by celebrated Japanese artist Yayoi Kusama, which attracted more than 90,000 visitors.
- The refurbished Carter Observatory opened on 27 March 2010, adding to the city's range of science-based visitor attractions. The observatory attracted more than 15,000 visitors in its first few months.
- Council-funded environmental attractions the Wellington Zoo and Zealandia continued to make great progress in terms of both conservation and visitor experience. The visitor centre at Zealandia opened to the public, featuring multimedia displays and interactive exhibits telling the story of New Zealand's unique natural history and conservation movement.
- We continued to implement the Council's 'growth spine' strategy, which aims to focus future growth and development in key transport and employment 'hubs' such as Johnsonville, Adelaide Rd, Kilbirnie and the city centre. As part of this framework, transport and public space improvements in the Adelaide Road area got under way during the year.
- Following the Council's decision in December 2009 and a subsequent Environment Court challenge, work began to open Manners Mall to buses and to develop a new shared space in lower Cuba Street.

- Key events included the FIFA World Cup qualifying match between the All Whites and Bahrain, two AC/DC concerts with attendance of over 55,000, *The Lovely Bones* red carpet premiere, world championships events (sailing and unicycling), and regular iconic events such as the NZ International Arts Festival, World of WearableArt and the NZI Sevens.
- As part of implementation of our Biodiversity Action Plan we established weed control programmes at 11 new sites, well in excess of our target of three.
- We worked with the Wellington Regional Council and other territorial authorities to develop a Wellington Regional Open Spaces strategy and work plan, aimed at ensuring a coordinated approach to development and protection of open spaces.

The Council's ongoing, 'business as usual' services included the provision of water to Wellington homes and businesses, management of 670km of roads, support for a variety of community initiatives through our heritage, sports, environmental and social grants, and a huge range of other services - from lending out books to operating pools to planting gardens to promoting tourism to processing building and resource consents. The 'Our Work in Detail' chapters from pages 1 to 141 set out the full range of our services.

SERVICE PERFORMANCE

During the year, Council services generally met and in some cases exceeded expectations. We monitor service performance closely, through resident surveys and a range of other measures - all of which are independently audited for accuracy. A few of the highlights for this year are:

- 75% of residents say the Council's services and facilities are good or very good (up from 71% in 2007 and 73% in 2009).
- 76% rate Council services as good or very good value for money (up 4% on last year).
- 94% agree or strongly agree that Wellington is a great place to live.
- 86% feel a sense of pride in the way the city looks and feels.

In general, residents are positive about the state of facilities and services, ranging from transport networks to water supply to libraries, pools and housing. Full performance results are provided in the 'Our Work in Detail' section of this report.

FINANCIAL PERFORMANCE

As explained in the financial summary (pages xiv to xx), the Council received income of \$398.6 million and spent \$368.3 million during the year - both slightly above budget. Though the reported surplus is \$30.3 million the majority of this is made up of fair value movements and assets being vested in Council ownership. With these, provisions, and other factors taken into account the underlying position for the year is a surplus of \$1.5 million. The Council's overall finances remain in a healthy state, allowing us to look forward to the future with confidence.

As part of our forward planning, we are making provision for some key liabilities in coming years. The Council agreed in principle to participate in the Government's Financial Assistance Package for Leaky Buildings and work with them and affected territorial authorities on the detail of the package to enable a final decision on our participation to be made in 2010/11. The package aims to help people get their leaky homes fixed faster, and centres on the Government and local authorities each contributing 25% of agreed repair costs. Affected homeowners would fund the remaining 50% backed by a government loan guarantee. The Council will consider future funding once a final decision on participation is made in 2010/11.

AWARDS

- The libraries received a New Zealand Diversity Award from the Race Relations Commissioner for their work at reaching a wide range of people. The libraries created web pages in 21 languages and library users can request an interpreter. The libraries employ a multicultural specialist to work in the community.
- The Contact Centre won first place in the city/regional councils category at the 2009 CRM Contact Centre Awards, and also placed first in the online (web/email) customer service category and third in the Supreme Award. The centre has placed first in the online category every year since 2006.
- The Wellington Waterfront Framework - the Council's policy on development of the waterfront area - won a Wellington Architecture Award at the 2009 New Zealand Institute of Architects' Local Architecture Awards.
- The Council won the award for Leading Housing Solutions in the New Zealand section of the 2009 Australian Housing Institute's Excellence in Social Housing Awards, for its Community Action programme, which is helping Council housing tenants to identify and implement projects - such as community gardens - that improve community spirit.