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# Our 10-year plan

*Wellington City Council's Long-term Plan 2015-25*

*Volume one*

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# Part A: Introduction

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## Message from the Mayor



**He pai te tirohanga ki ngā mahara mō ngā rā pahemo engari ka puta te māramatanga i runga i te titiro whakamua.**

It's fine to have recollections of the past but wisdom comes from being able to prepare opportunities for the future.

### **WELLINGTON CITY PLAN LOOKS TO THE FUTURE**

This is a bold plan unlike any other in the history of Wellington City Council. We are building on our strengths as a city, our stunning natural environment, our quirky, built heritage and welcoming attitude, our creativity, business innovation, a shared delight in success, and support for the most vulnerable.

We will contribute more to the Council's core services while also investing hundreds of millions of dollars in new projects that will cement our place as the 'coolest little capital in the world'.

We have kept our promise of no more than a 4.5 percent annual average rates increase for the first three years, and less than 3.9 percent annual average rates increase over the whole decade.

Wellington stands at the heart of the Pacific and is the southern-most capital city in the world. We are the 'place of the possible,' a Smart Capital, the Capital of the Arts and the walkable Capital.

This ambitious city plan sets out actions that will shape the future of our city, build economic success, and implement the recently agreed plans for urban growth and biodiversity.

We are investing in the ongoing prosperity of our communities and their wellbeing. This plan builds on the many actions taken in the last few years toward creating a smart, resilient and inclusive Capital.

The Council will work with many partners including other councils and local authorities, business, central government, NGOs, education, international institutes and our marvellous volunteers who are so important to the functioning of our city.

We have read and listened to hundreds of submissions, heard staff advice and debated the best way for Wellington to reach its full potential. Several changes, such as further increases to arts and community facilities, have been made in response.

This is a plan for all Wellingtonians. Thank you for your input! Let's get on with it!

A handwritten signature in black ink, appearing to read 'Celia Wade-Brown'.

CELIA WADE-BROWN  
Mayor

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## Message from the Chief Executive



Now, more than ever, cities compete. They compete for investment and talent and the flow on benefits that those bring. In recent times, we haven't been as competitive as we could in some areas, and this Long-term Plan addresses that.

The plan provides a basis for sound, sustainable growth of the city and will allow it to develop to its full potential.

Our growth agenda on which we consulted received strong support from the community, so we have a mandate for pushing on.

We've still got work to do, including more conversations with the community on the detail, but we've now set a course for growth. The challenge now is to implement our plan. We'll be working closely with central government and the commercial sector to make these projects happen over the next 10 years - to ensure Wellington has a prosperous future and a quality of life to match.

We shouldn't forget that in many areas Wellington is already world-leading and this plan reinforces our position in these areas. We're putting extra money into events to reaffirm our status as the events capital and we're further strengthening our environmental and social credentials because it's the right thing to do and it's what the community expects. We're not cutting any of our services and in many areas we're investing more and improving levels of service. This has been achieved within a very prudential financial envelope.

This 10-year plan is no ordinary council LTP. This one is unprecedented at Wellington City Council. It delivers mandatory core services - the environmental and social agenda - but it also includes a substantial economic investment programme. The Council has never before invested in the economy on this scale. The aim is to transform the city - and it will undoubtedly do that.

So I'm proud to deliver this bold plan to the people of Wellington.

A handwritten signature in black ink that reads "Kevin Lavery". The signature is written in a cursive, slightly slanted style.

KEVIN LAVERY  
Chief Executive

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## Our role and responsibilities

Under the Local Government Act 2002, our purpose is to:

- Enable democratic local decision-making and action by, and on behalf of, Wellingtonians
- Meet the current and future needs of Wellington residents for good quality local infrastructure, local public services, and performance of regulatory functions in the most cost-effective way for households and businesses.

The Council is made up of 15 elected representatives - the mayor and 14 Councillors.

It's their job to make bylaws, set the city's overall strategic direction and approve budgets, policies and plans aimed at achieving that direction. Part of their role is to listen and take the pulse of the community before making decisions. The mayor and Councillors are supported in their role by two community boards.

The elected representatives are supported by the Council's chief executive and officers, who provide advice, implement Council decisions, and look after the city's day-to-day operations.

### OUR VISION, ROLE AND ACTIVITIES

Our vision for the city *Wellington Towards 2040: Smart Capital* sets out our aim to grow and sustain Wellington as an inclusive place where talent wants to live. Our vision is supported by the community outcomes that set out our long-term goals and guide our activities (see page 20):

- Connected city
- People-centred city
- Eco-city
- Dynamic central city.

We provide core services to meet the needs of Wellington residents including:

- Water, wastewater, stormwater and transport network infrastructure
- Waste collection and disposal
- Libraries, museums, reserves and other recreational facilities and community amenities.

We also provide services and initiatives to grow the city's economy and enhance Wellingtonians quality of life.

Our work is structured around seven activity areas against which we measure our performance. They are:

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

## **ACCOUNTABILITY**

Every three years, we publish a Long-term Plan setting out our intentions for the decade ahead - what we'll do, how we'll do it, how much we'll spend, who will pay, the levels of service we'll provide, and how we'll measure the quality and effectiveness of our work. Our last Long-term Plan was adopted in June 2012.

In-between these Long-term Plans, we take a fresh look each year at our work programme, consider whether any changes are needed, and publish an annual plan setting out changes to the Long-term Plan.

Before we adopt Long-term Plans and annual plans, we seek Wellingtonians' views. The consultation process we undertook for this plan and the key changes made as a result are outlined on page 8.

Every year, we publish an annual report, which sets out our performance against the Long-term Plan or annual plan for the year. Did we do all we said we'd do? Did we meet our budgets? Did we perform as expected? Did we contribute to improvements in the overall well-being of Wellington and its residents?

We are also required to produce a pre-election report before each local body election. This report summarises major projects planned for the following three years and financial information, including a statement that compares rates, rate increases, and borrowing with the quantified limits specified in our financial strategy.

These reports are made available on our website as well as through our libraries and service centres.

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# Consultation process

## HOW WE COMMUNICATED AND ENGAGED

The following tools and techniques were used to communicate the draft Long-term Plan - and capture feedback - from stakeholders and the wider community. The consultation ran from 13 March through to 17 April 2015.

## CONSULTATION DOCUMENT

In accordance with amendments to the Local Government Act 2002, a 'stand-alone' consultation document was prepared that highlighted the major matters for consultation. This was made available online, in our libraries and in the Council service centre.

The draft Long-term Plan, activity statements and associated strategies and policies were made available on the Council's website and at selected libraries in accordance with the requirements of legislation.

## HOW WE ENGAGED

The Council engaged in the following ways with residents and ratepayers of Wellington:

- *LTP launch* at the City Gallery to around 50 stakeholders, entrepreneurs and ratepayers and special interest group representatives
- A purpose built *consultation website* that highlighted the 28 major matters for consultation, and captured both quantitative and qualitative feedback in a highly interactive way - it encouraged participants to engage with each other rather than simply state their position to the Council
- The Council utilised several *media channels* to raise awareness and encourage engagement with the draft Long-term Plan. Traditional print media included the *The Wellingtonian*, *Dominion Post*, *Cook Strait News* and *Independent Herald* between mid-March and early April. Additional advertising was carried out through the Council's social media channels
- *Ward meetings and special interest group meetings* were held with the Mayor and local Councillors presenting the key issues of the draft Long-term Plan to residents and ratepayers. In addition to these, the Mayor also hosted a business breakfast to introduce the Consultation Document to Wellington's business sector
- The Chief Executive has had numerous engagements with the business sector on the Long-term Plan
- The Council also held two *virtual meetings* which brought Councillors and officers together into a room to answer questions as they came through on Twitter and Facebook.

All of these contributed to record number of interactions with residents and ratepayers.

## SUBMISSIONS

The Council received 1,017 formal submissions - 597 by email, 232 online, and 188 through the mail, with a total of 6,961 individual comments recorded from those submissions across a wide variety of topics. The website had 12,872 visits from 7,568 people with 2,191 comments.

Oral hearings were carried out over a five-day period and 164 submitters were heard.



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## Summary of our plan

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

Cities like Wellington compete on the global stage. We compete with other city regions to attract people, students, jobs, businesses, trade and investment. Other cities invest in their offering, and without ongoing investment and improvements to the city we lose our comparative advantage as an attractive place for skilled migrants and businesses.

Cities flourish and decline depending on the investment decision they make and how they develop over time - and this Long-term Plan outlines a strong investment programme that will position Wellington and its communities for a stronger and more prosperous future.

#### **WE HAVE A STRONG HISTORY OF INVESTING IN THE CITY TO BENEFIT THE COMMUNITY**

In the past 10 years, the Council has invested in city infrastructure and services for the community.

While the key spending priority has been on infrastructure, there have been big increases in spending on community sport and recreation facilities, tourism promotion and events.

In the coming years, we are continuing to focus on strong, resilient infrastructure, but we will also invest for economic growth by establishing a programme of major projects and working in partnership with the private sector, the Government and others in the region.

By focusing investment in this way, we can:

- Retain our high quality of life and excellent services
- Achieve a real transformation of Wellington's economy, create opportunities for future investment, jobs for our people and improved quality of life.

#### **WE WILL INVEST TO MAINTAIN AND IMPROVE EXISTING SERVICES**

Our Long-term Plan maintains essential services for the city such as water supply, drainage, waste, parks and gardens, libraries, pools, sports fields, recreation centres, streets and social housing. It also includes upgrades and renewals to key facilities where there is a need.

One important area of focus will be on making infrastructure more resilient and better able to cope with environmental shocks such as earthquakes and the impact of climate change.

We will also work with others over the coming years to make the city's transport system more efficient by prioritising public transport, investing in new cycleways and walkways, and reducing bottlenecks on the road network.

We are maintaining existing levels of service for pools, recreation centres, sports fields and other Council-funded facilities. Our focus is on accommodating demand within existing facilities where possible - we want to make use of the capacity in the community facilities we have already invested in, before we face the expense of adding more. In line with this broad strategy, we have allocated additional funding to support school pools in their operations to ensure they are of a good standard and well-utilised by the community.

We will also continue to work and have allocated additional resources - to end homelessness and to include the most vulnerable citizens in city life.

The work programme to maintain and improve existing services also includes the following specific projects.

- Redevelopment of Frank Kitts Park with the inclusion of a Chinese Garden and new playground
- Funding for the creation of an ocean exploration centre on the south coast subject to funding from third parties
- An urban activation fund that will see pop-up events make use of the existing open spaces around the city
- A new library in Johnsonville to serve the growing northern area

- A hydraulic model of the city’s stormwater network to guide our future investment decisions around climate change adaptation
- A real-time sewer monitoring and modelling system to improve the performance of the network
- Additional funding to implement the Biodiversity Strategy including more funding for pest control, plantings, research and partnerships to boost our green open spaces
- A new hockey turf at the National Stadium and rejuvenation of the Basin Reserve
- Additional funding to complete the scope of the LED lighting project that will lower energy use and costs of street lighting and signals
- Additional funding for heritage building strengthening work over the next three years
- Lifting the wages of the lowest-paid staff at the Zoo and Museums Trust as part of work-force development. We have also agreed to consider applying a living wage to external contracts on a case-by-case basis
- Increased funding of the arts so 2015-25 will truly be a Decade of Culture. Funding has been allocated to revitalise the Town Hall and Civic Precinct, with a focus on musical performance and education, strengthen St James Theatre, more funding support for Circa, the New Zealand Ballet, Orchestra Wellington, the New Zealand Festival and an increase to the contestable grants and our ongoing commitment to Toi Pōneke and public art
- An increase to our social and recreation grants fund over the next 10 years.

### **WE WILL INVEST TO GROW OUR OFFERING AS A CITY**

Though Wellington offers outstanding quality of life, its economy has considerable untapped potential.

A stronger economy means jobs, prosperity and more opportunities for all Wellington residents. Economic growth isn’t only about business profits - though they are important- it is about providing opportunities for everybody.

Growing the city’s economy is about:

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

The Long-term Plan provides capacity for us to invest with others in a range of initiatives to stimulate economic growth in the city. We have made a start with funding support for the establishment of a tech hub to help ICT start-ups to get established, collaborate with other businesses and become successful exporters. In addition to that, we have set aside funding to explore and deliver the following economic opportunities:

- An extension to the Wellington International Airport runway to allow for direct connections to Asia and to bring extra visitors, students and economic benefits
- A new international film museum to showcase talent and attract and encourage visitors to stay in the city for longer
- A large-scale performance arena to fill a gap in our current offering and draw in larger concerts and more visitors
- An urban development agency to support the creation of vibrant, mixed-use inner city neighbourhoods
- Major urban regeneration projects to stimulate the supply of housing, with the northern part of Adelaide Road and the blocks along Kent and Cambridge Terrace in Te Aro as priorities
- An expansion of our arts and events programme including the New Zealand Festival
- A contribution to the WW1 commemorative exhibition and capital provision to support a permanent museum.

**“The city is humanity’s laboratory, where people flock to dream, create, build, and rebuild.” – Edward L. Glaeser**

## **FUNDING ALLOCATION TO SUPPORT OUR 'INVEST FOR GROWTH' APPROACH**

The major projects outlined in this 10 year plan are at different stages of development. Some are in preliminary stages while others require resource consent before they progress to the next stage, while others will aim to attract third-party funding commitments.

It is our intention to deliver all of these and that is why we have set aside preliminary budgets for each of these projects - we want to be transparent about the potential costs and show the city's capacity to fund them.

Detailed business cases will be developed for each of the projects in due course and these will set out the full costs and funding options. Further consultation will then happen before final decisions are made.

At this stage we have set aside a funding envelope of \$267 million. Of that, \$90 million has been signalled for investment in the extension of the Wellington airport runway. We plan to service this funding commitment through grant funding so the \$90 million is not included within capital expenditure.

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# Summary of our financial approach

The Council’s strong financial position means we can afford to invest in growth. The Council has an AA credit rating - the same as the New Zealand Government.

We have far less debt per capita than most local authorities. All up, our debt levels are currently less than 100% of our annual income - that’s the equivalent of a household earning \$50,000 a year and having a mortgage of less than \$50,000. We also hold significant investments in Wellington International Airport and an extensive central-city ground lease portfolio. Their value is similar to our level of debt.

Our strong financial position means we can afford to invest in projects that will support economic growth. In the short term, this will require modest increases in debt and rates. In the long term, rates increases should become lower due to growth in business activity, business numbers, and overall population.

IMPACT OF THE ‘INVEST FOR GROWTH’ APPROACH

<h1>3.9%</h1> <hr/>	<h1>175%</h1> <hr/>
<p>Rates increases will be limited to 3.9% on average after growth annually over the next 10 years.</p> <p>And by 4.5% annually, on average, over the next three years.</p>	<p>Council debt will be capped at a maximum of 175% of annual income - the same as a household earning \$50,000 a year having a mortgage of \$87,500.</p>

## WE’VE SHARPENED OUR FINANCIAL APPROACH

We’ve created headroom to allow us to deliver the programme within prudential limits. The key steps to ensure a sustainable financial approach include:

- Rebalancing our spending investment between key strategic areas
- Identifying areas where service levels and performance are already high and increasing the use of existing assets, rather than spending on new investment in these areas
- Investing in projects that grow the economy and deliver returns on our investment as reflected in our forecast growth in the rates base - an average increase of 1.2% a year - providing total increased rates capacity of about \$220 million across the 10 years of the plan
- Improved asset management practices and data quality to better manage risk and forecasting of when we need to replace assets
- Incorporating an annual savings of 1% (a total of \$55 million) from shared services and efficiencies
- Recognising that rates increases equal or less than CPI (household inflation) are not sustainable in the long-term without cutting services
- Providing for average rates increases of no more than 3.9% across 10 years, to provide capacity to maintain existing services and invest in initiatives that will grow the city
- Lifting our borrowing limits - to a maximum of 175% of income. Note that our forecast peak borrowing for the 10 year programme is 135%. This provides around \$230 million of capacity by 2024/25 to respond to emergencies or other requirements not currently planned for.

## **FUNDING AND RATES OVER THE NEXT 10 YEARS**

Wellington's economy has been flat for the past six years. This Long-term Plan aims to kick-start it. We have been prudent in recent years and are now in a strong financial position. The time is right to invest in game-changing projects - as the city did in the 1990s with Te Papa, the waterfront and the stadium - to grow the economy.

A growing economy means more businesses and a larger rating base, which in turn means we can spread the costs further and it will allow us to reinvest in the things that make Wellington great and different. We are conservatively forecasting an average growth in the rating base of 1.2% over the next 10 years.

## **RATES WILL BE KEPT AT AFFORDABLE LEVELS**

The Council's 'invest for growth' approach will ensure rate increases are kept at affordable levels. In fact, as outlined in the graph on page 87, forecast average rates for the next 10 years will be lower than our average rates historically.

We also use average household income as a threshold to measure rates affordability. The plan aims for the average residential rates to not rise above 3.5% of average Wellington household income. This is significantly lower than the 5% affordability threshold identified in the 2007 Local Government Rates Enquiry as appropriate.

## **WE HAVE SET TOUGH PARAMETERS FOR ANY RATES INCREASES**

Our Financial Strategy guide sets out our proposed rates limits including:

- For the next three years, the average rates increase will be kept below 4.5% (after accounting for growth)
- For the next 10 years, the average rates increase will be kept below 3.9% (after accounting for growth).

The proposed option to 'invest for growth' is below this limit with rates increases over the next 10 years of 3.8%.

## **INDICATIVE RATES FOR THE FIRST YEAR OF THE PLAN**

The table on page 172 shows the indicative residential and commercial property rates (inclusive of GST) for 2015/16.

## **YOUR RATES**

For 2015/16, total rates are forecast to increase by 6.1 % before allowing for growth in our ratepayer base. After allowing for expected growth, our total rates are forecast to increase by 4.9%.

Rates on the average residential property (valued at \$533,084) are to increase by 5.3% to \$2,193 (excluding GST) in 2015/16. There will be an average rates increase of around 5.5% for commercial properties, including the impact of increases in metered water charges. These increases average to a 4.9% rates impact on all ratepayers after growth in the ratepayer base has been taken into account.

## **EXPLAINING YOUR RATES**

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

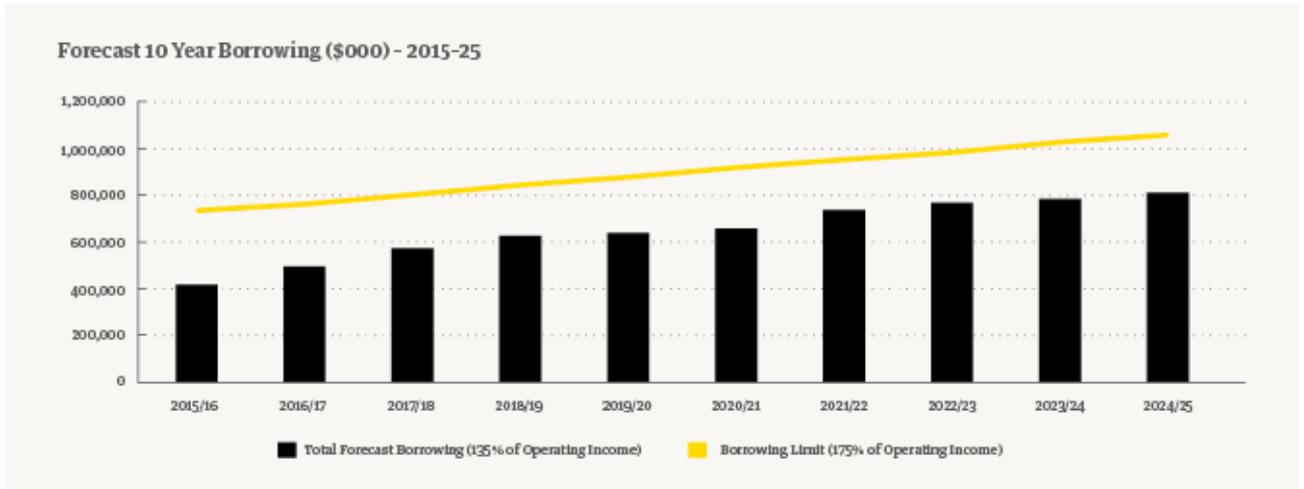
**General rates** are used to fund activities where the Council is unable to clearly identify a specific group of ratepayers who receive the benefit of that activity, or where it is not possible or suitable for that group to be targeted to pay. General rates are split over two categories: the base sector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

In 2015/16, the commercial sector's general rate per dollar of capital value is to remain 2.8 times higher than the base residential sector's general rate for a property of the same value. We will review this rating differential after the September 2015 city property general re-valuation is complete to check whether there is any significant shift in the relative proportion of capital value between the base and commercial sectors. We will consult on any recommended changes arising from that review in the 2016/17 Annual Plan.

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

## BORROWING OVER THE NEXT 10 YEARS

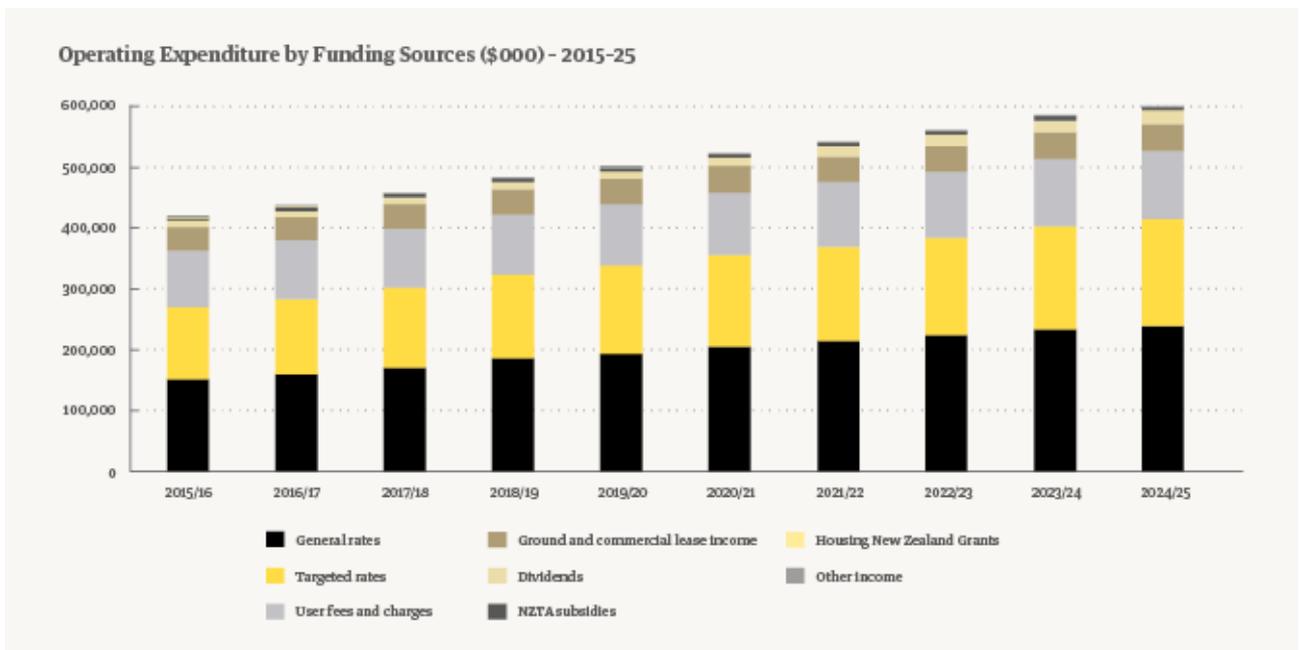
Our approach keeps borrowing levels well within the 175% debt-to-income limit set out in our Financial Strategy. Borrowing is forecast to increase from \$416 million (around 100% of income) in 2015/16 to \$807 million (around 135% of income) in 2024/25.



## OPERATING EXPENDITURE

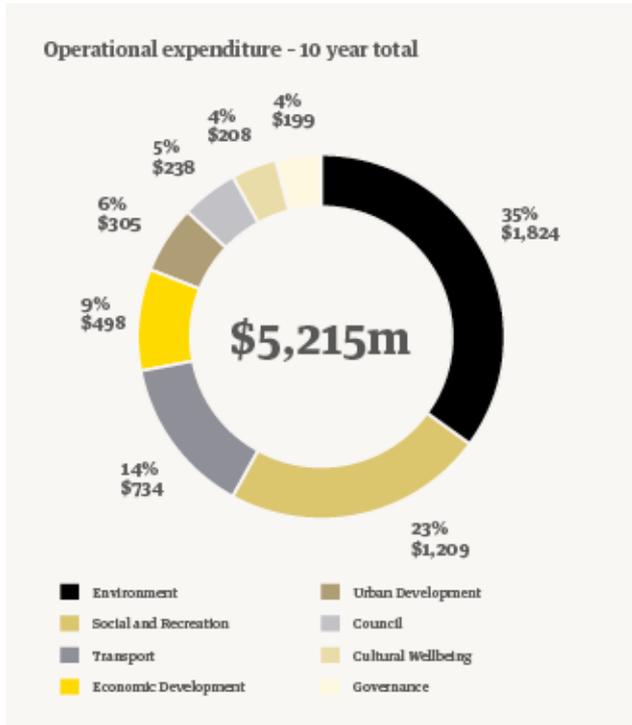
### Where the money comes from

In addition to rates the Council plans to receive revenue from a number of other funding sources. The proposed funding sources for our operating expenditure are summarised in the graph below.



**Where the money gets spent**

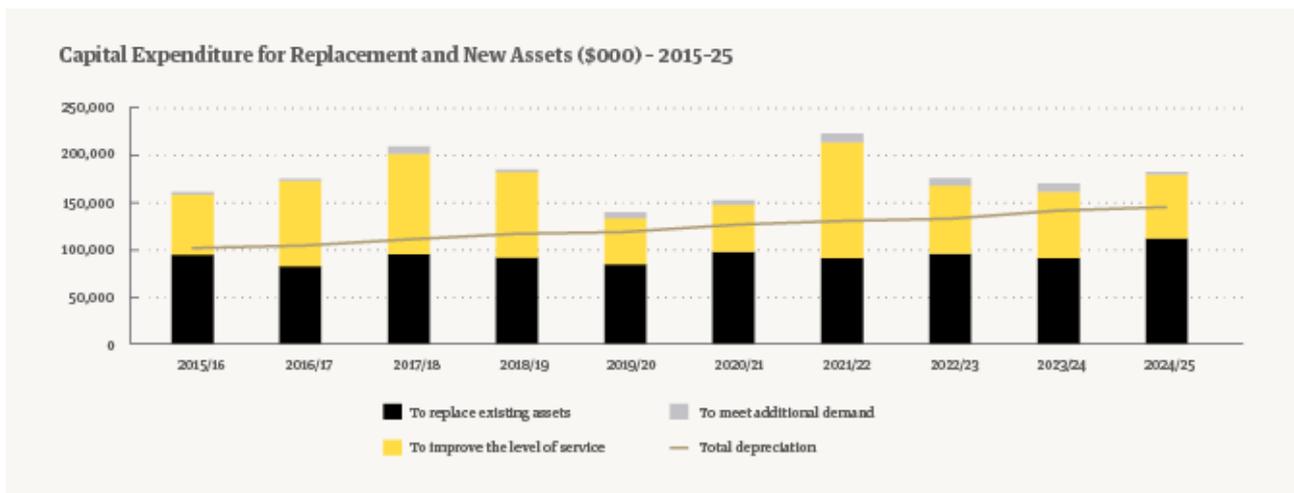
In total we plan to spend \$5.2 billion of operational expenditure over the next 10 years. This is spread across a range of activities with the major spending areas being the environment, social and recreation, and transport. The biggest increase is in the economic development area.



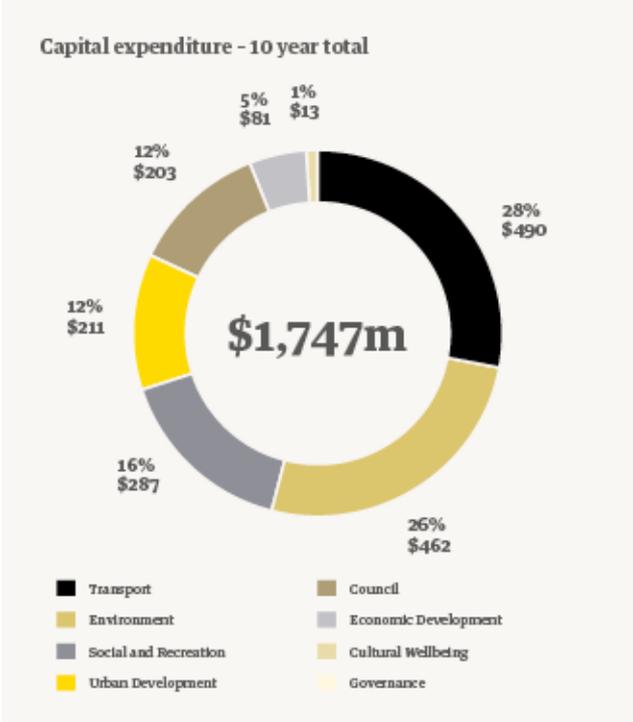
**CAPITAL EXPENDITURE**

**How we plan to spend capital expenditure**

The graph below illustrates the make-up of the \$1.7 billion of proposed capital expenditure investment over the next 10 years.

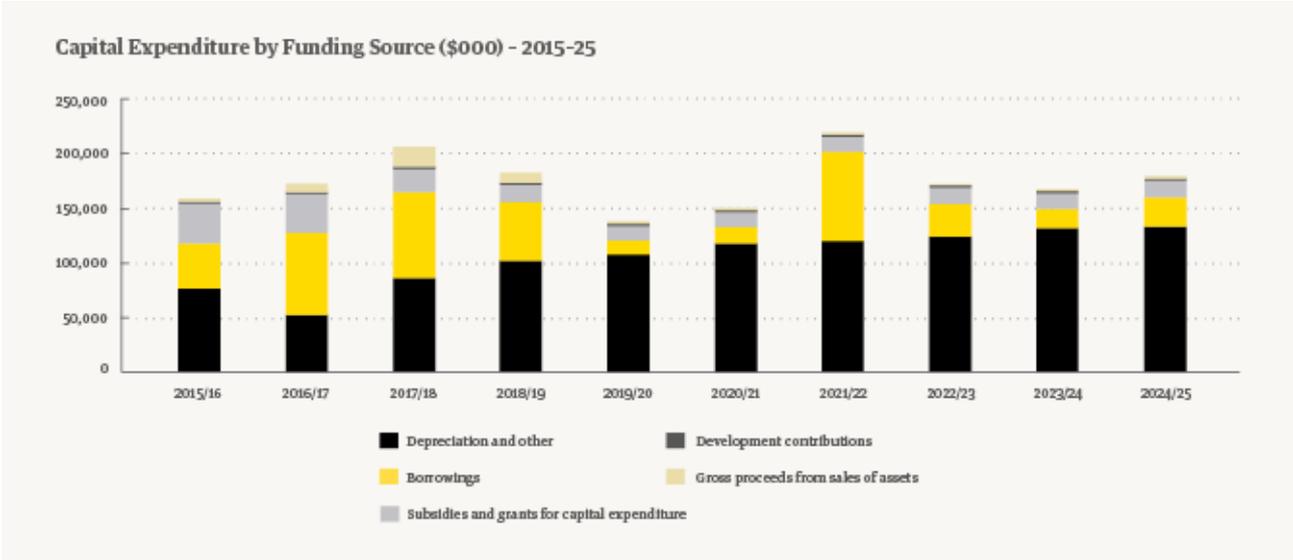


Even with the 'invest to grow' focus, over half of the proposed \$1.7 billion of capital expenditure will be invested on business-as-usual services in the Environment (which includes water, wastewater and stormwater) and Transport areas. This reflects the focus that the Council will continue to have on maintaining the quality and resilience of infrastructure.



**Where the capital funding comes from**

Capital expenditure will be funded through a variety of funding sources. The funding to renew assets will come from rates funded depreciation. The balance is sourced from borrowings, external grants, development contributions and asset sale proceeds.



## OUR ASSETS

### We're managing our assets in a smarter way

We own \$6.5 billion of assets. These include streets, pipes, libraries, swimming pools, retaining walls, signs, crematoria and much more. Our Infrastructure Strategy sets out how we intend to manage these over the next 30 years. The key aspects of this are:

- Overall, maintain assets in line with the current service offering
- Continue to improve the information about our assets to guide future investment decisions
- Make full use of an assets' life and make use of technology to improve the performance of assets
- Make use of the capacity in our existing facilities and assets before investing in new ones
- Focus investments into areas of growth (our programme includes urban regeneration, bus priority and cycling investment, amongst others).

### How we look after our assets

Our Infrastructure Strategy indicates that we will need to spend about \$1 billion renewing the city's network and social infrastructure over the next 10 years. We have made provision for this within our Financial Strategy and Long-term Plan.

Our Financial Strategy provides capacity for the Council to invest some \$720 million to upgrade assets and fund new assets. In addition to our 'invest to grow' initiatives major areas of planned investment include:

Social housing	\$111 million
Water reservoirs	\$46 million
Cycleways	\$58 million
Stormwater upgrades	\$25 million
Johnsonville library	\$17 million
Water network upgrades	\$13 million
Walkways	\$8 million

We also plan to continue our investment in making our infrastructure and public assets more resilient to earthquake risk and climate change. Investment to achieve that includes:

Road corridor walls	\$23 million
Tunnel and bridge improvements	\$10 million
Road safety projects	\$11 million
Strengthening Town Hall	\$57 million
Strengthening Civic Campus	\$16 million
Stormwater and sewer hydraulic modelling	\$9 million

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**Part C:**  
**Our work in detail**

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## Our goals

We've set in place clear goals.

The Council has set in place an overarching long-term strategic vision for the city called *Wellington Towards 2040: Smart Capital*. It aims to grow and sustain the city as 'an inclusive place where talent wants to live'.

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

- **Connected city** - with improved physical and virtual connections, we can unleash the potential of Wellington's people and businesses. Technology reduces the city's physical distance from the world and markets, and the city's compactness allows for relationships to form with ease
- **People-centred city** - cities compete more for people in particular the highly skilled, educated people who already make up a large proportion of Wellington's population. It will become increasingly important to draw on these strengths, to ensure the city is open, welcoming, vibrant and embraces diversity
- **Eco-city** - we will build on our current environmental strengths to transition to a low carbon future. As an eco-city Wellington will achieve high standards of environmental performance, coupled with outstanding quality of life and an economy increasingly based on smart innovation
- **Dynamic central city** - by fostering the central city as a hub of creative enterprise, we can lead the region to the next level in economic transformation. With universities, research organisations and creative businesses all clustered in or near the central city, Wellington can grow, taking the wider region to the next step in prosperity and quality jobs.

These outcomes guide our activities.

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# 1

## Governance Pārongo ā-tāone

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### BY THE NUMBERS

**145,575**

Number of registered voters in Wellington City.

**70%**

Proportion of Wellington residents, in a June 2014 survey, who said they were satisfied with the way the Council involves them in decision-making. This was an improvement from 63% in the previous year's survey.

**56,844**

Number who voted in 2013 Wellington City Council elections.

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

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

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

Our overall aim is to build trust and confidence in our decisions.

In coming years, the Council will keep working to find new and more effective ways to engage with residents, so the community can be kept informed and can influence the Council’s decisions.

Quality local decision-making requires us to engage at the right level, whether that is with local neighbourhoods, with particular sectors of the community, with businesses or business sectors, with local or central government, or with the community as a whole.

It requires us to continually strive to find new ways to reach people in ways that work for them.

It requires us to build and maintain partnerships, recognising that the Council is not always in control of the city’s direction.

Effective local decision-making requires residents to engage and to take the available opportunities to inform themselves and have their say.

## **KEY PROJECTS**

### **Governing the Wellington region**

The Local Government Commission has abandoned its draft proposal to reorganise councils in the region to form a ‘super-city’ because of lack of public support.

Community feedback to the Commission has indicated that while a ‘super-city’ type model has very little support, a broad section of the community is open to the possibility of more moderate change. The Council is committed to dealing with regional issues at a regional level.

We acknowledge, for example, that the region has a single economy and therefore needs a single organisation to oversee and guide economic development.

For that reason, the Council has worked with Greater Wellington Regional Council and other local authorities to establish the Wellington Regional Economic Development Agency (WREDA), a single agency responsible for economic development, events and tourism throughout the region.

This agency will provide a clear direction for economic development across the region, leading to higher growth, more jobs and stronger communities.

Wellington’s water comes from the hills of the Hutt Valley and is piped into the city. It is part of a single water network which can only be managed efficiently if it is managed on a regional basis. Water, wastewater and stormwater are therefore managed regionally, through the council-controlled organisation Wellington Water.

Many transport decisions have implications for neighbouring cities and indeed for the country as a whole, so those decisions are made at regional or national levels.

We will continue to work with other councils in the region and the Local Government Commission on exploring possible governance options that will improve regional service delivery and win the support of the community.

### **A partnership approach**

The city has 200,100 residents, nearly 26,000 businesses, and thousands of clubs and community groups.

Government agencies, other local authorities, businesses, community organisations and individuals all make critical decisions affecting Wellington and its people.

The Council has set a direction for the city, and can act as a catalyst and an enabler. But, ultimately, others influence Wellingtonians’ quality of life at least as much as us.

Many of the projects proposed in this document are for partnerships involving local and central government, businesses, and other parts of the community. Examples include the Wellington Convention Centre, the planned International Film Museum, and our ICT hub.

Increasingly, our intention is to work with others - influencing and enabling - in order to get the best results for the city.

### **Involving residents in decision-making**

In a 2014 survey of six New Zealand cities, residents were asked how well they understood local decision-making processes, how much confidence they had that decisions were made in their city’s best interests, and how much influence the public had over decisions. For all of these questions, Wellington’s results were close to the average. We realise that, like other cities, we have to keep working to inform Wellingtonians and involve them in decision-making on major matters.

In coming years, we will continue to find new and more effective ways to engage with residents. Increasingly, this means reaching people and receiving feedback online, through computers and smartphones.

## **STATEMENT ON MĀORI AND MANA WHENUA PARTNERSHIPS**

### **Whai wāhitanga Māori (tae noa ki te mana whenua)**

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

### **Our Treaty obligation**

In Wellington City the Treaty of Waitangi was signed on 29 April 1840 on board Henry Williams' schooner *Ariel* in the harbour. Now, 175 years later, Treaty of Waitangi historic claims for both iwi groupings within the city, Ngāti Toa Rangatira and Taranaki Whānui ki te Upoko o te Ika a Māui have been settled.

It is important that the special position of mana whenua is acknowledged and reflected in the way we make decisions about the city and its resources.

Engagement with the wider Māori community recognises the special provisions for Māori within our legislative framework and their unique Tangata Whenua position.

### **What we'll provide - our level of service**

We work with the city's two mandated mana whenua organisations, the Port Nicholson Block Settlement Trust and Te Rūnanga o Toa Rangatira Incorporated, to ensure their views are represented in decisions about the city and to ensure their contribution to Wellington's heritage is fully and publicly recognised. Our responsibilities to these organisations are outlined in memoranda of understanding.

A capacity funding agreement outlines how they participate in decisions on policy, protocol, and regulatory and service delivery issues. Both entities have non-voting membership on the Council's committees. These obligations place administrative and time demands on the organisations. We provide each a grant to reflect their input.

We will provide opportunities for Māori to engage in dialogue with the Council to ensure their perspective is reflected in Council decisions and actions affecting economic, environmental, social, and cultural wellbeing.

### **How we will provide opportunities for Māori to contribute to our decision-making processes**

In addition to fostering partnerships with mana whenua, we will engage with and build relationships with the wider Māori community. Here is how we will do it:

### **Mana whenua partnerships:**

- Te Raukura, the wharewaka and the three waka, *Te Hononga*, *Te Rerenga Kōtare* and *Poutū*, are now prominent fixtures on our waterfront realising the aspiration of Taranaki Whānui to bring waka Māori back into our harbour. Along with the nearby Te Aro Pā visitor centre in the heart of the city, we will provide a grant to contribute to their upkeep
- We will sponsor a carved artwork in recognition of the recent historic Treaty settlement for Ngāti Toa Rangatira. This artwork will complement the existing pou whenua heritage trail and other public art marking sites of significance
- We will meet regularly with mandated mana whenua organisations to include their aims and aspirations for the city and across many areas of Council activity.

### **Māori community engagement:**

- Our Māori Community webpage allows the community to register to receive email pānui (notices) and our e-newsletter *Nōna te Ao*
- Our website also provides access to other publications of interest including Land Perspectives for Tangata Whenua from our District Plan (currently being updated), the Māori community Population Profile compiled from Census 2013 data, brochures about Te Ara o Ngā Tūpuna - the Māori Heritage Trail, Ngā Waka o Pōneke - the carved waka, Te Raukura - the Wharewaka o Pōneke and Te Aro Pā visitor site. You can also find the information guide for Ngā Iwi o te Motu Urupā - the Māori burial area within Makara cemetery
- Our community grants will assist Māori groups to undertake their own projects. Like all grant programmes, these projects must contribute to Council's high level priorities
- We will promote and celebrate Māori culture through significant dates in the Māori calendar such as Waitangi Day, Matariki and Māori Language Week, other community events, ceremonies and hui, public art and heritage protection.

The visible recognition of such projects and the inclusion of a Māori perspective across Council activities will contribute to our city's vitality and improve the experience of the city for us all. Inside the Council, we aim to build our capacity to be more effective for Māori in the work that we do and how the Council can contribute to strengthening Māori communities.

## GOVERNANCE - GROUP OF ACTIVITIES

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

## GOVERNANCE - PERFORMANCE MEASURES

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

## 1.1 Governance, information and engagement

### 1.1.1 City governance and engagement

### 1.1.2 Civic information

### 1.1.3 City Archives

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of the public's involvement in Council decision-making	Residents (%) satisfaction with the level of consultation (i.e. the right amount)	55%	55%	55%	55%
	Residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making	75%	75%	75%	75%
To measure the quality and timeliness of residents' access to information	Council and committee agendas (%) are made available to the public within statutory timeframes (two working days prior to the meeting)	100%	100%	100%	100%
	Council and committee agendas (%) that are made available to elected members five days prior to the meeting and to the public four days prior to the meeting	80%	80%	80%	80%
	Residents (%) who agree that Council information is easy to access (i.e. From web centre, libraries, newspapers, etc)	55%	55%	60%	Increasing trend
	Residents (%) who agree that Council website is easy to navigate and get information from	70%	70%	75%	75%
	Contact Centre response times - calls (%) answered within 30 seconds	80%	80%	80%	80%
	Contact Centre response times - emails (%) responded to within 24 hours	100%	100%	100%	100%

## 1.2 Māori and mana whenua partnerships

### 1.2.1 Māori and mana whenua partnerships

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the health of our relationship with mana whenua	Mana whenua partner satisfaction with Council relationship (satisfied and very satisfied)	Satisfied	Satisfied	Satisfied	Satisfied
To measure the engagement of the city's Māori residents	Māori residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making	75%	75%	75%	75%

## GOVERNANCE - ACTIVITY BUDGET

<b>1.1 GOVERNANCE, INFORMATION AND ENGAGEMENT</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
1.1.1 - City governance and engagement	8,329	9,901	10,881	10,141	114,019
1.1.2 - Civic information	5,433	5,435	5,540	5,637	61,447
1.1.3 - City Archives	1,016	1,758	1,886	1,924	20,830
<b>Total operating expenditure</b>	<b>14,778</b>	<b>17,094</b>	<b>18,307</b>	<b>17,702</b>	<b>196,296</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
1.1.1 - City governance and engagement	-	-	116	-	379
1.1.2 - Civic information	-	-	-	-	-
1.1.3 - City Archives	-	-	-	-	-
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>116</b>	<b>-</b>	<b>379</b>
<b>1.2 MĀORI AND MANA WHENUA PARTNERSHIPS</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
1.2.1 - Māori and mana whenua partnerships	225	281	288	296	3,190
<b>Total operating expenditure</b>	<b>225</b>	<b>281</b>	<b>288</b>	<b>296</b>	<b>3,190</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
1.2.1 - Māori and mana whenua partnerships	-	-	-	-	-
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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# 2

## Environment Taiao

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### BY THE NUMBERS

# 58

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Gigajoules of electricity used per person annually in Wellington. This compares with 81 gigajoules for an average European city and 228 gigajoules for an average Australasian city.

# 50,712

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Number of native plants planted by the council during the 2013/14 financial year.

# 206.5

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Square metres of green open space for each person living in Wellington city.

# 80,832

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Tonnes of waste deposited in Wellington's landfill during the last financial year - a reduction of 6% from the year prior.

# 340

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Kilometres of Council-managed tracks and walkways in the city's open space areas.

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

We fund these services because they are critical to the lives of individual Wellingtonians and to the community as a whole.

They ensure that the city is safe and liveable, and that basic human needs are met.

They minimise harmful effects from human activity.

They provide recreation opportunities, attract visitors, and make the city a beautiful place to live.

The environment is the Council's biggest area of activity, with planned net operational spending of \$1.64 billion over the next 10 years. Of that, the majority is spent on core services such as water, wastewater and stormwater.

The quality of Wellington's environment depends on all of us - residents, businesses and industries, land users, the Council, regional and central government, and others.

The Council is a regulator, a funder and provider of services. We provide the basic services which make the city run.

We invest heavily in environmental assets and services because they matter for all residents of the city.

All of our work involves partnerships, with local communities and businesses, volunteer organisations, other local authorities, and regional and central government. Water, wastewater and drainage networks are managed by Wellington Water, which is jointly owned by the Greater Wellington Regional Council and Hutt, Porirua, Upper Hutt and Wellington city councils.

Wellington City Council's environmental activities are mainly funded through rates and user charges. Decisions about funding depend on a range of things, including: who benefits, how essential the service is, and the 'polluter pays' principle.

## KEY PROJECTS

### Understanding the impacts of climate change

During this century, according to scientific modelling, climate change will have an increasingly significant impact on Wellington and other coastal cities.

Over the next 100 years the sea level is predicted to rise by somewhere between 60 centimetres and 1.1 metres. Along with this, the water table will also rise. Potential impacts include erosion and inundation of low-lying coastal land, damage to infrastructure and building foundations, increased flood risks, and increased risks of liquefaction in the event of an earthquake.

A warming climate is also likely to make severe storms more frequent, bringing risks of property and infrastructure damage.

One of the most important tasks facing the Council is to prepare the city for these impacts. We will have to make decisions, for example, about whether coastal land needs to be protected by sea walls, or changes are needed to the stormwater system or other infrastructure.

The first step is to understand the possible impacts, and the measures that can be taken to reduce or mitigate those impacts. Over the next three years, we will:

- Assess the impact of rising sea levels on the stormwater network and the water table, so we can make sensible decisions about land use, building and infrastructure
- Review District Plan provisions for areas that might be vulnerable to rising sea levels.

### Our contribution to climate change

By comparison with other cities, Wellington is a relatively low emitter of greenhouse gases.

There are several reasons for this. The city has a relatively compact urban footprint, easy access to public transport, and an economy that relies on services rather than agriculture or heavy industry. It also has access to renewable energy - the two wind farms on the city's outskirts together produce enough power for 100,000 average homes.

The Council is committed to further reduction in the city's contribution to climate change. Our 2020 target is for the city's greenhouse gas emissions to be 30% below 2001 levels. So far, emissions have at least stabilised since 2009/10.

All action on climate change involves partnership. The Council can take some steps, but it's the city's residents, communities, land and building owners, businesses, and researchers who can make the most difference.

Much of the Council's role is in planning decisions. In the next three years, a key focus will be implementing transport initiatives that help the increasing numbers of Wellingtonians getting around the city on foot, bikes, or buses. Urban growth will be focused along bus priority routes.

We will also:

- Extend our support for Enviroschools
- Continue our award-winning smart energy programme
- Review our climate change action plan
- Develop a coastal resilience plan.

### Southern Landfill

Construction of Stage four of the landfill (which will provide capacity for at least another 40 years) will begin in 2016.

### Understanding key infrastructure

The city's biggest infrastructure asset is one that is rarely seen. It lies out of sight, underground. There, more than 2,700 kilometres of pipes and tunnels criss-cross the city, carrying water to homes, businesses, schools and hospitals, or carrying sewage to treatment plants or stormwater to the sea.

Together, this network and associated assets are valued at around \$1.3 billion. Lay all of the pipes end to end and they would reach Sydney.

Managing these assets is one of the biggest areas of the Council's activity and each year we spend more than \$50 million to operate the city's water, wastewater and stormwater networks and we invest more than \$25 million in new or upgraded assets.

Through better management of these assets, we anticipate that we can make significant savings over the next few years, while maintaining service levels.

We will also focus on new urban growth in areas where existing water and stormwater networks already have enough capacity to deal with added demand.

### Managing harm from stormwater

Every year, millions of litres of stormwater are discharged into the city's streams, harbour and coastal waters. That stormwater can contain contaminants, such as oils, paints, detergents, litter, animal droppings, and after heavy rainfall, sewage. The environmental impacts of stormwater runoff are monitored, and generally comply with resource consents and environmental standards.

In the next three years, we will introduce real-time monitoring of the stormwater network. This will enable us to measure flows of stormwater and pollutants into waterways, and allow us to manage flows when stormwater is causing environmental harm.

### An interactive children's garden

Plans are well advanced for a unique, interactive children's garden near the playground in the Botanic Garden. The children's garden will be a fun, hands-on place where children can explore and make discoveries about the plants used for food, medicine, clothing and shelter.

The garden will be part-funded through public donations and the Plimmer Bequest.

[www.childrensgarden.org.nz](http://www.childrensgarden.org.nz)

### Te Motu Kairangi/Miramar peninsula

The Council will continue to work with others to see the northern point of Miramar peninsula retained and developed as a natural heritage destination. This will be part funded from the Plimmer Bequest.

### Our Natural Capital

The Council has finalised its biodiversity strategy in 2015 and developed an implementation plan to protect and restore the city's indigenous biodiversity.

The Council is also increasing the funding for pest control initiatives in the next 10 years to protect Wellington's biodiversity. This falls under the auspices of *Our Natural Capital: Wellington's Biodiversity Strategy and Action Plan*.

### Freedom camping

Over the next two years we will plan and prepare for a new stand-alone freedom camping area. We are also funding improved management and security patrolling of existing freedom camping areas and will provide capital funding in 2015/16 for improved signage, rubbish facilities in coastal areas and sensor parking at Te Kopahau Reserve.

# 1<sup>st</sup> place

In a 2012 survey of the environmental performance of Australasian cities, Wellington was a top performer in greenhouse gas emissions, energy consumption, waste generation and recycling, and air quality. In a 2014 survey of six NZ cities, Wellington residents were more likely than residents of other cities to perceive their natural environment as beautiful, and more likely to say they had easy access to a local park or other green space.

# 5.5 tonnes

CO<sub>2</sub> emissions per capita, Wellington City.

# 20.4 tonnes

CO<sub>2</sub> emissions per capita, average for major cities in New Zealand and Australia.

## ENVIRONMENT – GROUP OF ACTIVITIES

GROUP OF ACTIVITIES	RATIONALE	SERVICE OFFERING	NEGATIVE EFFECTS
<b>2.1 Parks, gardens, beaches and green open spaces</b> 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 2.1.9 Waterfront public space	Provide access to green open spaces.  Provide public places to congregate.  Provide access to recreational opportunities.  Enhance biodiversity.	Manage and maintain: <ul style="list-style-type: none"> <li>• 4,000ha of parks, reserves and beaches</li> <li>• 200 buildings for community use</li> <li>• 340km of walking and mountain bike tracks</li> <li>• over 200,000m<sup>2</sup> of amenity bedding and horticultural areas</li> <li>• boat ramps, wharves, seawalls and slipways.</li> </ul>	In our management of the city's green open spaces, we seek to balance recreation needs against environmental protection. While recreational use can have negative effects on the immediate environment, in most cases these are not significant.  We do not anticipate any other significant negative effects associated with our management of these services.
<b>2.2 Waste reduction and energy conservation</b> 2.2.1 Waste minimisation, disposal and recycling 2.2.2 Closed landfills aftercare 2.2.3 Energy efficiency and conservation	Minimise and manage waste.	Manage and monitor: <ul style="list-style-type: none"> <li>• landfill operations and composting waste at the Southern Landfill</li> <li>• domestic recycling and rubbish collection</li> <li>• the environmental impacts of closed landfills</li> <li>• programmes to educate residents to manage and minimise waste effectively.</li> </ul>	Waste management has the potential to create leachates and gases. The construction and management of the southern landfill is designed to minimise the impact of these. The service is subject to resource consent conditions and is monitored.
<b>2.3 Water</b> 2.3.1 Water network 2.3.2 Water collection and treatment	Security of supply of potable water.	<ul style="list-style-type: none"> <li>• Ensure high quality water is available at all times for drinking and other household and business uses.</li> <li>• Maintain 80 reservoirs, 34 pumping stations, 8,000 hydrants and 1,250km of pipes.</li> </ul>	We do not anticipate any significant negative effects associated with our provision of these services.
<b>2.4 Wastewater</b> 2.4.1 Sewage collection and disposal 2.4.2 Sewage treatment	Clean waterways are essential for public health and to the city's environment.	<ul style="list-style-type: none"> <li>• Provide and monitor the city's sewage collection, treatment and disposal in line with resource consent conditions.</li> <li>• Introduce a real-time network monitoring system.</li> <li>• Monitor the performance of Wellington Water.</li> </ul>	The wastewater network aims to minimise the harm to people that would arise without it. The council has made significant investment in plant and equipment to treat the waste before it is disposed. There is the risk of minor overflows into waterways during storm events. These occurrences are rare and are monitored to reduce environmental and public health impacts.
<b>2.5 Stormwater</b> 2.5.1 Stormwater management	Keep people and property safe from flooding.	<ul style="list-style-type: none"> <li>• Maintain, renew and upgrade the stormwater network to protect flooding.</li> <li>• Introduce a hydraulic model.</li> </ul>	The stormwater network aims to minimise the impact of flooding. The network can carry containments, such as oils from roads or run off from developments, into waterways. We educate residents to change behaviours, such as pouring paint down drains, and monitor our waterways.
<b>2.6 Conservation Attractions</b> 2.6.1 Conservation visitor attractions	Inform and educate on the importance of conservation and biodiversity.  Attract visitors.  Protection of flora and fauna.	<ul style="list-style-type: none"> <li>• Provide funding to Wellington Zoo.</li> <li>• Support its expansion with the new <i>Meet the Locals</i> Exhibition.</li> <li>• Part fund Zealandia.</li> <li>• Monitor performance.</li> <li>• Provide a one-off \$6 million grant for the development of an ocean exploration centre on the south coast (subject to third party funding and a final business case).</li> </ul>	We do not anticipate any significant negative effects associated with our role in these services.

**ENVIRONMENT - PERFORMANCE MEASURES**

ENVIRONMENT	
<b>Objectives</b>	<p><b>Security of supply</b></p> <p><b>Waste reduction</b></p> <p><b>Access to green open spaces</b></p> <p><b>Biodiversity</b></p>
<b>Outcome indicators</b>	<p>Open space land owned or maintained by WCC - total hectares or square metres per capita</p> <p>Residents' usage of the city's open spaces - local parks and reserves, botanic gardens, beaches and coastal areas, and walkways</p> <p>Residents' perceptions that the natural environment is appropriately managed and protected</p> <p>Hours worked by recognised environmental volunteer groups and botanic garden volunteers</p> <p>Water consumption (commercial and residential combined)</p> <p>Freshwater biological health (macro invertebrates) - Makara, Karori, Kaiwharawhara and Porirua streams</p> <p>Freshwater quality - Makara, Karori, Kaiwharawhara and Porirua streams (note data for Owhiro Stream not available)</p> <p>Energy use per capita</p> <p>Number/square metres of 'green star' buildings/space in the city</p> <p>Total kerbside recycling collected per capita</p> <p>Total waste to the landfill per capita</p> <p>Selected indicators from the City Biodiversity Index (specific indicators to be confirmed)</p>

## 2.1 Gardens, beaches and green open spaces

2.1.1 Local parks and open spaces

2.1.2 Botanical gardens

2.1.3 Beaches and coast operations

2.1.4 Roads open spaces

2.1.5 Town belts

2.1.6 Community environmental initiatives

2.1.7 Walkways

2.1.8 Biodiversity (pest management)

2.1.9 Waterfront public space

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of the open spaces we provide	Residents' satisfaction (%) with the quality and maintenance of green open spaces - local parks, playgrounds and reserves; botanic garden; beaches and coastal areas; and walkways	90%	90%	90%	90%
	Number of visitors to the Botanic Gardens (including Otari-Wiltons Bush)	1,280,000	1,280,000	1,280,000	1,280,000
To measure the quality of street cleaning services	Residents' satisfaction (%) with the quality of street cleaning	85%	85%	85%	85%
	Street cleaning (%) compliance with quality performance standards	98%	98%	98%	98%
To measure the quality and quantity of work we undertake to protect biodiversity	We will plant 2 million trees by 2020	1,389,777 (69% of 2020 target)	1,539,927 (77% of 2020 target)	1,690,127 (85% of 2020 target)	2 million by 2020 (100% of target)
	High value biodiversity sites (%) covered by integrated animal pest control or weed control	55%	59%	63%	70% by 2020
	Proportion of grant funds successfully allocated (through milestones being met)	95%	95%	95%	95%

## 2.2 Waste reduction and energy conservation

### 2.2.1 Waste minimisation, disposal and recycling management

### 2.2.2 Closed landfills aftercare

### 2.2.3 Energy efficiency and conservation

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of waste reduction and recycling services	Residents (%) satisfaction with recycling collection services	85%	85%	85%	85%
	Waste diverted from the landfill (tonnes)	at least 16,500 tonnes of recyclable material			
	Residents (%) who regularly use recycling (including weekly, fortnightly or monthly use)	90%	90%	90%	90%
To measure the quality of our waste disposal services	Residents (%) satisfaction with waste collection services	90%	90%	90%	90%
	Energy sourced from the Southern Landfill (Gwh)	8GWh	8GWh	8GWh	8GWh
To measure the amount (quantity) of the Council's energy consumption and emissions	WCC corporate energy use (incl WCC general, pools and recreation centres, and CCOs)	Decrease in energy use from previous year	Decrease in energy use from previous year	Decrease in energy use from previous year	Declining trend
	WCC corporate greenhouse gas emissions	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050

## 2.3 Water

### 2.3.1 Water network

### 2.3.2 Water collection and treatment

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of water supplied to residents and the services that ensure security of supply	Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria) and (Part 5 protozoal compliance criteria)	100%	100%	100%	100%
	Maintenance of water supply quality gradings from Ministry of Health	Maintain	Maintain	Maintain	Maintain
	Customer satisfaction with water supply	90%	90%	90%	90%
	Number of complaints about:	Baseline	n/a	n/a	n/a
	(a) drinking water clarity				
	(b) drinking water taste				
	(c) drinking water odour				
	(d) drinking water pressure or flow				
	(e) drinking water continuity of supply				
	(f) responsiveness to drinking water complaints				
	per 1000 connections.				
	Median response time for:				
	(a) attendance for urgent call outs	60 min	60 min	60 min	60 min
(b) resolution for urgent call outs	4 hours	4 hours	4 hours	4 hours	
(c) attendance for non-urgent call outs	36 hours	36 hours	36 hours	36 hours	
(d) resolution for non-urgent call outs	15 days	15 days	15 days	15 days	
Percentage of real water loss from networked reticulation system	<14%	<14%	<14%	<14%	
Average drinking water consumption/ resident/day	375 litres per day	375 litres per day	375 litres per day	375 litres per day	
Number of unplanned supply cuts per 1000 connections	<4	<4	<4	<4	

## 2.4 Wastewater

### 2.4.1 Sewage collection and disposal network

### 2.4.2 Sewage treatment

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality and timeliness of the wastewater service	Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	<=1.2	<=1.2	<=1.2	<=1.2
	Dry weather wastewater overflows/1000 connections	0	0	0	0
	Customer satisfaction with the wastewater service	75%	75%	75%	75%
	Number of complaints about: (a) wastewater odour (b) wastewater system faults (c) wastewater system blockages (d) responsiveness to wastewater system issues	Baseline	n/a	n/a	n/a
	per 1000 connections.				
	Median response time for wastewater overflows:				
	(a) attendance time	(a) <=1 hour	(a) <=1 hour	(a) <=1 hour	(a) <=1 hour
(b) resolution time	(b) <=6 hours	(b) <=6 hours	(b) <=6 hours	(b) <=6 hours	
To measure the impact of wastewater on the environment	Breaches of resource consents for discharges from wastewater system. Number of:  - abatement notices - infringement notices - enforcement orders - convictions  for discharges from wastewater system.	0	0	0	0

## 2.5 Stormwater

### 2.5.1 Stormwater management

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality and timeliness of the stormwater service	Number of pipeline blockages per km of pipeline	<= 0.5	<= 0.5	<= 0.5	<= 0.5
	Customer satisfaction with stormwater management	75%	75%	75%	75%
	Number of complaints about stormwater system performance per 1000 connections	Baseline	n/a	n/a	n/a
	Median response time to attend a flooding event	<= 60 minutes	<= 60 minutes	<= 60 minutes	<= 60 minutes
To measure the impact of stormwater on the environment	Breaches of resource consents for discharges from stormwater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions  for discharges from stormwater system.	0	0	0	0
	Number of flooding events	Trend only	n/a	n/a	n/a
	Number of habitable floors per 1000 connected homes per flooding event	Trend only	n/a	n/a	n/a
	Percentage of days during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use.	90%	90%	90%	90%
	Percentage of monitored sites that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml	90%	90%	90%	90%

## 2.6 Conservation attractions

### 2.6.1 Conservation visitor attractions

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the success of our investments in conservation attractions	Zoo - total admissions	234,713	237,763	240,854	240,854
	Zealandia - visitors	95,947	93,600	96,500	96,500

## ENVIRONMENT - ACTIVITY BUDGET

<b>2.1 GARDENS, BEACHES AND GREEN OPEN SPACES</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.1.1 - Local parks and open spaces	8,545	8,756	8,812	8,977	96,022
2.1.2 - Botanical gardens	4,762	4,752	4,921	5,050	55,971
2.1.3 - Beaches and coast operations	1,371	1,409	1,445	1,112	12,753
2.1.4 - Roads open spaces	7,645	8,147	8,426	8,719	96,443
2.1.5 - Town belts	5,080	4,665	4,991	5,338	63,770
2.1.6 - Community environmental initiatives	632	743	790	767	8,874
2.1.7 - Walkways	597	582	600	639	7,337
2.1.8 - Biodiversity (Pest management)	1,530	1,704	1,899	1,978	20,595
2.1.9 - Waterfront Public Space	-	1,737	1,726	1,765	18,576
<b>Total operating expenditure</b>	<b>30,162</b>	<b>32,495</b>	<b>33,610</b>	<b>34,345</b>	<b>380,341</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.1.1 - Local parks and open spaces	1,098	1,286	701	1,505	16,118
2.1.2 - Botanical gardens	602	433	528	704	7,679
2.1.3 - Beaches and coast operations	568	227	176	181	2,009
2.1.4 - Roads open spaces	-	-	-	-	-
2.1.5 - Town belts	110	135	248	229	3,552
2.1.6 - Community environmental initiatives	-	-	-	-	-
2.1.7 - Walkways	625	550	1,014	1,253	7,292
2.1.8 - Biodiversity (Pest management)	-	-	-	-	-
2.1.9 - Waterfront Public Space	-	-	-	-	-
<b>Total capital expenditure</b>	<b>3,003</b>	<b>2,631</b>	<b>2,667</b>	<b>3,872</b>	<b>36,650</b>
<b>2.2 WASTE REDUCTION AND ENERGY CONSERVATION</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.2.1 - Waste minimisation, disposal and recycling management	12,802	12,836	13,335	13,642	146,147
2.2.2 - Closed landfills aftercare	404	522	414	322	2,975
2.2.3 - Energy efficiency and conservation	-	282	334	134	1,774
<b>Total operating expenditure</b>	<b>13,206</b>	<b>13,640</b>	<b>14,083</b>	<b>14,098</b>	<b>150,896</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.2.1 - Waste minimisation, disposal and recycling management	776	1,238	1,232	5,882	21,281
2.2.2 - Closed landfills aftercare	-	-	-	-	-
2.2.3 - Energy efficiency and conservation	-	-	-	-	-
<b>Total capital expenditure</b>	<b>776</b>	<b>1,238</b>	<b>1,232</b>	<b>5,882</b>	<b>21,281</b>

<b>2.3 WATER</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.3.1 - Water network	25,738	23,394	23,788	25,310	273,466
2.3.2 - Water collection and treatment	14,174	14,932	16,179	17,219	222,414
<b>Total operating expenditure</b>	<b>39,912</b>	<b>38,327</b>	<b>39,966</b>	<b>42,529</b>	<b>495,880</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.3.1 - Water network	12,294	16,951	14,935	15,410	201,433
2.3.2 - Water collection and treatment	-	-	-	-	-
<b>Total capital expenditure</b>	<b>12,294</b>	<b>16,951</b>	<b>14,935</b>	<b>15,410</b>	<b>201,433</b>
<b>2.4 WASTEWATER</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.4.1 - Sewage collection and disposal network	18,767	19,157	19,507	20,694	225,964
2.4.2 - Sewage treatment	22,837	22,654	23,596	24,828	280,504
<b>Total operating expenditure</b>	<b>41,604</b>	<b>41,811</b>	<b>43,103</b>	<b>45,522</b>	<b>506,468</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.4.1 - Sewage collection and disposal network	7,745	10,481	11,327	13,319	133,330
2.4.2 - Sewage treatment	-	-	-	-	-
<b>Total capital expenditure</b>	<b>7,745</b>	<b>10,481</b>	<b>11,327</b>	<b>13,319</b>	<b>133,330</b>
<b>2.5 STORMWATER</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.5.1 - Stormwater management	18,777	17,588	18,054	19,111	213,669
<b>Total operating expenditure</b>	<b>18,777</b>	<b>17,588</b>	<b>18,054</b>	<b>19,111</b>	<b>213,669</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.5.1 - Stormwater management	4,255	4,455	7,020	7,652	59,476
<b>Total capital expenditure</b>	<b>4,255</b>	<b>4,455</b>	<b>7,020</b>	<b>7,652</b>	<b>59,476</b>
<b>2.6 CONSERVATION ATTRACTIONS</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.6.1 - Conservation visitor attractions	6,126	6,459	6,625	12,899	77,105
<b>Total operating expenditure</b>	<b>6,126</b>	<b>6,459</b>	<b>6,625</b>	<b>12,899</b>	<b>77,105</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
2.6.1 - Conservation visitor attractions	794	1,316	817	843	9,589
<b>Total capital expenditure</b>	<b>794</b>	<b>1,316</b>	<b>817</b>	<b>843</b>	<b>9,589</b>

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# 3

## Economic development Whanaketanga ōhanga me

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# 4

## Cultural wellbeing Oranga ahurea

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### BY THE NUMBERS

## 2.4%

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Wellington City average annual GDP growth - 10 years to March 2013. This compared with 2.2% nationwide. Of New Zealand's 66 local authorities, Wellington ranked 25th over the decade for GDP growth.

## 21

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Number of Wellington businesses ranked among New Zealand's 200 largest.

## \$86.3m

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Contribution to Wellington's economy during 2013/14 from major events supported by Wellington City Council.

## 5

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Number of Wellington businesses ranked among New Zealand's 10 fastest-growing.

The Council funds events and festivals, supports attractions such as Te Papa, the Carter Observatory and the city's galleries and museums, markets Wellington to tourists from New Zealand and overseas, operates conference facilities, supports community art and cultural activities, promotes business, education and cultural links through sister city relationships and provides free weekend parking in the Central Business District.

We fund these activities because they matter to the lives of individual Wellingtonians and to the community as a whole.

They make Wellington a more vibrant place to live, and they matter to residents' quality of life, their prosperity, identity and the opportunities available to them.

Our work in this area is guided by our Economic Development Strategy, our Arts and Cultural Strategy and the Events Policy.

In coming years, the Council plans to invest for growth, unlocking Wellington's potential and making the city more vibrant and prosperous.

The strength of Wellington's economy depends on its people, its entrepreneurs, researchers, innovators, businesses and skilled workers.

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

The Council can only play a small, but important, role in these sectors. We provide an environment in which creativity and innovation flourish, and an environment that enables business activity that supports artistic and cultural endeavours and celebrates the identities of the city's many communities.

We also act as a catalyst for funding infrastructure, festivals, events and promotional activities that support economic and cultural activity.

The Council's economic and cultural activities are funded through a combination of general rates, targeted rates, user charges and other income.

## **KEY PROJECTS AND INITIATIVES**

### **Investing for growth**

Although Wellington's economy is growing, it still has untapped potential, particularly in industries such as tourism, screen production and ICT. Tapping into that potential would bring more prosperity to the city, make it more vibrant, and provide a wider range of opportunities for residents.

Higher growth would also increase the rates base, allowing more investment in a stronger environment and higher quality of life.

Many of the new projects in this Long-term Plan are aimed at supporting growth in the economy, making it smarter, faster-growing, and more attractive to businesses and visitors, entrepreneurs, investors and skilled workers.

The key projects outlined in this section are at different stages of development. Detailed business cases will be developed for each of the projects in due course and these will set out the full costs and funding options. Further consultation will take place before final decisions are made.

### **A longer airport runway**

Wellington's economic prosperity depends on the strength of its connections with the rest of the world.

The lack of long-distance direct air connections reduces the region's ability to attract tourists, international students, support business growth and make business connections.

We are working with Wellington International Airport Ltd (WIAL) on this project. The total cost of the runway extension is expected to be about \$300 million. It is anticipated that funding will be drawn from those that benefit - the Airport, residents, and businesses across the wider region, and the Government in light of potential economic benefits to New Zealand.

We have budgeted \$90 million as our contribution towards a longer runway. Spreading this investment over 40 years would result in an annual cost of around \$6.5 million commencing in 2019/20.

The Council will make a final decision on this project and whether to commit funding to construction in a future long-term plan, once WIAL has obtained resource consent for the project and the Council has received and considered a cost-benefit analysis and business case from WIAL that will be independently reviewed. Other key considerations before the Council makes its final decision relate to:

- Resilience of a runway extension to weather and climate change
- The proposed investment vehicle and any revenue agreement
- Satisfactory airline commitments
- Funding arrangements for construction and confirmed construction costs
- The governance and management structure to oversee construction.

The Council will also undertake further public consultation before making a final decision on whether to commit funding to construct the runway extension.

### **A central city tech hub**

Information and communications technology is Wellington's fastest growing business sector, contributing more than \$2.4 billion in GDP to the region annually and supporting more than 15,000 jobs.

One of the critical conditions for success in high-tech industries is opportunities for people to connect with each other, sharing knowledge, ideas, innovation, investment, and pathways to national and international markets.

We will establish a 'tech hub' to help high-tech start-ups connect with funders, investors and international speakers. The Council's contribution towards the Tech Hub will be up to a maximum of \$3.2 million over the next three years.

### **Film and screen productions**

Wellington's screen production sector thrills, inspires and amazes people here and around the world. However, the industry is also heavily dependent on one-off productions. A challenge is to create a growing and more continuous flow of projects.

The Council will work with the industry more closely and explore opportunities to grow the sector in the city.

### **A joined-up regional approach**

Wellington City's economy is not separate from the economies of neighbouring cities - the region forms a single economy.

Nor can the various sectors of the economy, such as events, tourism, hospitality, screen production and ICT, be considered separate. The success of one sector inevitably contributes to the success of another, by making the city more prosperous, increasing opportunities available to residents, and attracting visitors, workers, and businesses.

For that reason, the Council has worked with Greater Wellington Regional Council and other local authorities to establish the Wellington Regional Economic Development Agency (WREDA), a single agency responsible for economic development, events and tourism throughout the region.

This agency will be able to provide a clear direction for economic development across the region, leading to higher growth, more jobs and tourists, and stronger communities.

### **The inclusive and culturally diverse city**

Of the 200,100 people who live in Wellington City, 29% were born outside of New Zealand, 24% speak a language other than English, and 29% identified with a non-European ethnic group.

Wellington is a city that celebrates diversity. As a city of government and business, we value the connections that a diverse population has with other parts of the world. As a creative city, we love when people express themselves, sharing their stories, sounds, pictures and identities.

In an increasingly globalised world, our willingness to embrace diversity is an advantage and one that makes us attractive to visitors, investors, entrepreneurs and skilled people from all parts of the world.

In coming years, the Council will continue to encourage and celebrate diversity, by supporting arts and cultural events and small arts organisations ranging from Tawata, Randell, Orpheus, Matariki and Diwali to WOW and the New Zealand Festival.

We have also increased our cultural grants fund from 2016/17 to increase our level of support to the Capital's arts and cultural institutions.

Through the Destination Wellington programme, we are also promoting Wellington internationally as a place to live, learn and do business.

### **Increasing the range of visitor attractions**

Wellington is one of New Zealand's fastest-growing tourism markets, with a 39% increase in visitor guest nights over the 10 years to 31 March 2014. Higher visitor numbers means the city can support a wider range of visitor attractions.

While we have one of the country's fastest growing tourism markets, there is still considerable untapped potential in the market. Not only can we attract more visitors, we can also encourage them to stay longer and spend more.

We are planning to invest in the following projects in the coming years:

- The expansion of the Wellington Museum, to enable it to show more of its collection and attract more visitors. Phase 1 of the redevelopment is underway and along with The Wellington Museums Trust we will continue to develop plans for further development
- The development of a world-class film museum to recognise a major and highly successful local industry, raise the city's profile and attract more tourists and get them staying longer. We are working with private sector partners on a proposal to establish the film museum in Wellington. We have provisionally budgeted \$30 million. The final costs, returns and funding will be determined as part of the development of the business case
- The development of a world-class ocean exploration centre at the Maranui Quarry site in Lyall Bay, providing opportunities to discover Wellington's marine life and ocean environment. We have included \$6 million in 2018/19 for this project. The Council's funding is contingent on the project securing the remaining costs (\$12 million) from social investors and the Government
- The development of a Museum of War and Peace adjacent to the Pukeahu Memorial Park. This project will be mainly funded by the Ministry for Culture and Heritage. A provisional contribution from the Council is budgeted at \$10 million capital for 2018/19.

### **Increased funding for major events**

Wellington is New Zealand's events and creative capital, but we face increasing competition from other Australasian cities for the right to host major events. To maintain our economic and cultural edge, we have increased the funding available to attract and support major events, ensuring that the city is able to bring in new attractions and retain those it currently has. We have increased our Events Development Fund (implemented through WREDA) to around \$5 million per year for the 10 years of the plan.

### **The New Zealand Festival**

The festival is New Zealand's premier arts and cultural event. It's currently held every two years and attracts world-class line-ups of performers. We have increased our grant to the festival by \$500,000 to secure 'off-year' events or shows in the city. This complements the New Zealand Festival's own success at raising the majority of its funding from ticket sales and other sources.

We will support another of the city's cultural institutions - the Circa Theatre. We have budgeted a grant of \$250,000 over the next three years to support the theatre and \$15,000 per annum over the next three years for technical support of external groups.

### **An indoor arena**

Wellington has no indoor venue capable of seating more than 5000 people. As a result, the region misses out on international artists who play in other cities such as Auckland and Christchurch.

This comes as an economic cost to the city as we are missing out on a range of events including rock concerts and other music events that can attract large numbers of people to the city.

The Council is progressing work to scope the feasibility of developing an 8,000-12,000 seat indoor arena in the central city.

If a decision is made to proceed further, a business case will be developed and partnership funding options explored.

### **Wellington Convention Centre**

Conventions bring people to the city from throughout New Zealand and overseas to discuss ideas and make connections.

A new purpose built convention centre would allow the city to maintain and increase its market share in the lucrative conference market, creating jobs and bringing up to \$21 million a year into the Wellington economy.

Increasing the number of conferences held in Wellington will also attract events, increase Wellington's international profile, and encourage Wellington businesses and research organisations to strengthen connections with their counterparts overseas.

We will continue to explore options and work with the private sector to deliver a convention centre to Wellington. We have budgeted an operational grant of \$4 million per year from 2019/20.

## **1<sup>st</sup> place**

In a 2014 survey of six NZ cities, Wellington residents were much more likely than residents of other cities to:

- agree that cultural diversity made their city a better place - Wellingtonians said that cultural diversity made the city a more vibrant and interesting place
- agree that Wellington has a culturally rich and diverse arts scene.

Wellington residents were also:

- more likely to be in paid employment than residents of other cities
- more likely to be satisfied with their work-life balance than residents of most other cities.

## ECONOMIC DEVELOPMENT - GROUP OF ACTIVITIES

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

## ECONOMIC DEVELOPMENT - PERFORMANCE MEASURES

ECONOMIC DEVELOPMENT	
<b>Objectives</b>	<b>Tourism spend</b>  <b>Investment attraction/digital exports</b>  <b>City vibrancy</b>
<b>Outcome indicators</b>	Number of domestic and international visitors (guest nights)  Average length of stay - international and domestic  Number of major conferences  Number of A-level events held in Wellington and their economic contribution  New Zealand's top 200 companies based in Wellington  Business enterprises - births and growths (net growth in business)  Domestic and international airline passengers entering Wellington airport  Free wifi usage (logons/day) - waterfront and central city  Pedestrian counts - average of various Lambton Quay sites  Businesses and employees in research and development sector  Secondary (international) and tertiary (international and domestic) students enrolled per 1,000 residents  Events/activities held with international cities (in Wellington and overseas)

### 3.1 City promotions and business support

3.1.1 WREDA

3.1.2 Wellington Convention Centre

3.1.3 Retail Support

3.1.4 WIED fund/Economic Grants

3.1.5 Major projects - economy

3.1.6 International relations

3.1.7 Business improvement districts

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of our investments in promoting the city	WREDA - Positively Wellington Tourism partnership funding	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income
To measure the usage of WCC supported events	Estimated attendance at WCC supported events	500,000	500,000	500,000	500,000
To measure the quality of our investments in economic development	Events Development fund - ratio of direct spend to economic impact	20:1	20:1	20:1	20:1
	The proportion of grant funds successfully allocated (through milestones being met)	95%	95%	95%	95%

## ECONOMIC DEVELOPMENT - ACTIVITY BUDGET

3.1 CITY PROMOTIONS AND BUSINESS SUPPORT	2014/15 AP 2014/15 GROSS EXPENDITURE	2015-25 LTP 2015/16 GROSS EXPENDITURE	2015-25 LTP 2016/17 GROSS EXPENDITURE	2015-25 LTP 2017/18 GROSS EXPENDITURE	2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<b>Operating expenditure</b>					
3.1.1 - WREDA	5,630	31,560	31,718	32,112	340,587
3.1.2 - Wellington convention centre	17,763	-	-	2,046	34,871
3.1.3 - Retail support (free weekend parking)	1,449	1,356	1,391	1,427	15,473
3.1.4 - WEID, economic growth and economic grants	1,262	3,599	3,680	3,765	40,784
3.1.5 - Major economic projects	4,313	-	5,000	-	58,565
3.1.6 - Regional and external relations	4,881	572	583	593	6,358
3.1.7 - Business improvement districts	2,510	114	117	120	1,297
<b>Total operating expenditure</b>	<b>37,808</b>	<b>37,201</b>	<b>42,489</b>	<b>40,063</b>	<b>497,935</b>
<b>Capital expenditure</b>					
3.1.1 - WREDA	-	-	-	-	-
3.1.2 - Wellington convention centre	1,341	2,215	1,742	1,353	16,422
3.1.3 - Retail support (free weekend parking)	-	-	-	-	-
3.1.4 - WEID, economic growth and economic grants	-	-	-	-	-
3.1.5 - Major economic projects	-	-	-	-	64,908
3.1.6 - Regional and external relations	-	-	-	-	-
3.1.7 - Business improvement districts	-	-	-	-	-
<b>Total capital expenditure</b>	<b>1,341</b>	<b>2,215</b>	<b>1,742</b>	<b>1,353</b>	<b>81,330</b>

## CULTURAL WELLBEING - GROUP OF ACTIVITIES

GROUP OF ACTIVITIES	RATIONALE	SERVICE OFFERING	NEGATIVE EFFECTS
<b>4.1 Arts and cultural activities</b>	The arts contribute to a vibrant CBD and provide opportunities for cultural expression.	<ul style="list-style-type: none"> <li>Funding to Te Papa, Wellington Museum, City Gallery, Capital E, the Cable Car Museum, Carter Observatory and Nairn Street Historic Cottage.</li> <li>Support major events and festivals that generate economic returns</li> <li>Provide fund grants to arts organisations.</li> <li>Manage the Toi Poneke Arts Centre, the City Art Collection.</li> <li>Te Ara o Nga Tupuna Heritage Trail and Te Motu Kairangi Plan</li> </ul>	We do not anticipate any significant negative effects associated with our role in these services.
4.1.1 City galleries and museums			
4.1.2 Visitor attractions (Te Papa/ Carter Observatory)	Build a sense of place and identity.		
4.1.3 Arts and cultural festivals	Grow visitation and exposure to creativity and innovation.		
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			

## CULTURAL WELLBEING - PERFORMANCE MEASURES

### CULTURAL WELLBEING

<b>Objectives</b>	<b>Sense of place and identity</b>
	<b>Diversity and openness</b>
	<b>Visitation</b>
	<b>Exposure to creativity and innovation</b>
<b>Outcome indicators</b>	<p>Residents' frequency of engagement in cultural and arts activities</p> <p>New Zealanders' and residents' perceptions that 'Wellington has a culturally rich and diverse arts scene'</p> <p>Resident perceptions that Wellington's local identity (sense of place) is appropriately valued and protected</p> <p>Events held at key city venues</p> <p>New Zealanders' and residents' perceptions that "Wellington is the arts capital of New Zealand"</p> <p>New Zealanders' and residents' perceptions that "Wellington is the events capital of New Zealand"</p> <p>Residents' (%) agreement with the statement that "Wellington is an easy place to get involved in the arts"</p> <p>Te Papa visitors - total visitors, overseas visitors and NZ visitors from outside the region</p> <p>Customer (%) satisfaction with the NZ Festival</p> <p>Total tickets sold to the NZ Festival and the proportion sold to customers outside the region</p> <p>Total visits to museums and galleries (including Carter Observatory)</p>

#### 4.1 Arts and culture activities

4.1.1 City galleries and museums

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

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality and usage of our arts and culture support activities	Attendee satisfaction with Council supported arts and cultural festivals	90%	90%	90%	90%
	User (%) satisfaction with Toi Pōneke facilities and services	90%	90%	90%	90%
	Economic contribution (\$) the NZ Festival makes to the city's economy (direct new spend)	\$40 million		\$40 million	\$40 million (every second year)
	The proportion of grants funds successfully allocated (through milestones being met)	95%	95%	95%	95%
	Proportion of outcomes delivered (previous projects - weighted by \$ value)	90%	90%	90%	90%
	Venues subsidy - total number of performers and attendees at supported events	Increase on previous year			
	Cultural grants - % first time applicants who are successful	50%	50%	50%	50%

## CULTURAL WELLBEING - ACTIVITY BUDGET

4.1 ARTS AND CULTURE ACTIVITIES	2014/15 AP 2014/15 GROSS EXPENDITURE	2015-25 LTP 2015/16 GROSS EXPENDITURE	2015-25 LTP 2016/17 GROSS EXPENDITURE	2015-25 LTP 2017/18 GROSS EXPENDITURE	2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
<b>Operating expenditure</b>					
4.1.1 - Galleries and museums (WMT)	8,412	9,208	9,445	9,914	102,353
4.1.2 - Visitor attractions (Te Papa/Carter Observatory)	2,981	2,840	2,864	2,878	29,013
4.1.3 - Arts and cultural festivals	2,597	2,692	2,745	2,805	30,237
4.1.4 - Cultural grants	1,053	858	969	981	11,540
4.1.5 - Access and support for community arts	613	659	719	728	6,516
4.1.6 - Arts partnerships	1,938	2,277	2,315	2,353	22,330
4.1.7 - Regional Amenities Fund	609	609	609	609	6,095
<b>Total operating expenditure</b>	<b>18,203</b>	<b>19,142</b>	<b>19,666</b>	<b>20,268</b>	<b>208,084</b>
<b>Capital expenditure</b>					
4.1.1 - Galleries and museums (WMT)	-	1,914	-	10,000	11,914
4.1.2 - Visitor attractions (Te Papa/Carter Observatory)	-	180	-	-	180
4.1.3 - Arts and cultural festivals	-	-	-	-	-
4.1.4 - Cultural grants	-	100	-	8	230
4.1.5 - Access and support for community arts	26	26	27	28	301
4.1.6 - Arts partnerships	-	-	-	-	-
4.1.7 - Regional Amenities Fund	-	-	-	-	-
<b>Total capital expenditure</b>	<b>26</b>	<b>2,220</b>	<b>27</b>	<b>10,036</b>	<b>12,624</b>

# 5

## Social and recreation Pāpori me te Hākinakina

### BY THE NUMBERS

**4,000**

Number of people who live in Council housing. These tenants would otherwise not have access to quality housing.

**1.2m**

Number of swims residents took in the city's pools.

**120,000**

Number of times visitors received discounted access to pools and other facilities through the Leisure Card programme - which aims to help people for whom price might otherwise be a barrier.

**4.6m**

Number of visits to libraries (2.3m online and 2.3m through the door).

**320,000**

Number of visits to the city's recreation centres.

**2.9m**

Number of books and other items residents took out from libraries.

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

We fund these services because they matter to the lives of individual Wellingtonians and to the community as a whole.

They help to protect the most vulnerable people.

They keep people safe and healthy.

They strengthen communities.

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

In the next 10 years, the Council proposes to spend more than \$1 billion (net) on services to promote stronger, safer, healthier communities.

The strength of Wellington's communities depends on its people.

The Council is a funder, a facilitator, and sometimes a regulator. We provide an environment in which people can be safe, get together with others, and can choose to live healthy lives.

We invest heavily in social and recreation services because they matter to the city, but we don't try to do everything. We don't get in the way by doing what clubs, volunteer organisations, businesses and individuals can do for themselves.

Decisions about funding for social and recreation services depend on a range of things, including: who benefits, how essential the service is and who has the ability to pay.

## KEY PROJECTS

### Social housing

We are part-way through a 20-year, \$400 million programme in partnership with the Government to upgrade our housing complexes.

This project is making tenants' homes warmer, safer, healthier and more energy efficient. It also involves landscaping and other improvements to create shared community and recreation spaces.

It is the largest social housing redevelopment project ever undertaken in New Zealand.

Upgrade work has already been completed for seven housing complexes, while another two are under way. Our priority for the next three years is to make further progress on this major programme and continue to improve the quality of our housing stock.

With the Government looking to exit its state housing stock across New Zealand, we are exploring what this might mean for the city and options to not only deliver on the city's social and affordable housing demand but a range of housing needs for the 22,000 extra homes required in the city to meet our expected population growth over the next 30 years.

### Homelessness

Wellington is an affluent city and should not have people living on streets or in cars, or relying for extended periods on temporary or emergency accommodation.

In April 2014, the Council endorsed *Te Mahana: A Strategy to End Homelessness in Wellington*. The strategy's overall goals are to stop homelessness, deal with it quickly when it does happen, and, once a person finds a home, stop them from becoming homeless again.

The strategy focuses on better coordinated, more effective, and more culturally appropriate ways of delivering services from the Council, and government and non-government agencies.

To support Te Mahana we have increased funding in 2015/16 by \$50,000 for improved services focussing on begging and rough sleeping in Wellington.

### Recreation and community services

Use of some Council-funded sport and recreation facilities has declined a little in the last few years partly due to facilities being closed for maintenance or upgrades, and partly due to residents' individual choices.

Nonetheless, peak-time demand remains high at pools, recreation centres and sports-fields. Also, the range of sports that use these facilities is growing.

In the past decade, we have invested heavily in sport and recreation facilities.

Key projects in the last decade have included construction of the ASB Sports Centre, new pools and water play areas at Karori, Kilbirnie and Johnsonville, and installation of synthetic turf at several of the city's sports fields, allowing them to be used in all weather and for longer hours.

Our focus is on accommodating demand within existing facilities where possible - we want to make use of the capacity in the community facilities we have already invested in, before we face the expense of adding more.

In line with this broad strategy, we have allocated additional funding to support school pools in their operations to ensure they remain open, are of a good standard and well-utilised by the community. Schools will be required to apply for funding.

Key projects in the coming years also include installing a synthetic turf at the National Hockey Stadium; and a refresh of the Basin Reserve.

In Karori we will contribute \$350,000 towards installing an artificial turf on the Terawhiti Bowling Green with the remaining funding coming from Waterside Karori Football and other clubs. We have also budgeted \$920,000 grant funding in 2017/18 for the development of the new Karori Events Centre.

We have also set aside \$500,000 per year from 2018 to support the development of sports hubs. The 'Sportsville' concept involves user groups either sharing one facility or rationalising/sharing services and/or buildings in an area. This can include sporting, social, cultural and recreational interests. 'Sportsville' brings economies of scale by providing shared facilities and services for numerous clubs and codes, e.g. changing rooms, fields, administration, IT services, social areas etc. It enables clubs to focus on developing and improving services for existing and potential members.

In the coming year we will also provide one-off funding to Capital BMX Club to complete a BMX track at Ian Galloway Park that will provide a new safe venue for children to learn to ride, and a place where the next generation of BMX and mountain bike champions can be developed.

We are also continuing to support the Kaka Project and its community initiatives that aim to improve the future use of community resources in the Brooklyn area.

Over the next two years, the Council has committed \$700,000 towards the upgrade of facilities at the Lyall Bay Surf Life-Saving Club. The club provides a unique and essential rescue service to Wellington and its facility is used by a number of community groups.

### **Basin Reserve redevelopment**

The Basin Reserve is regarded as one of the world's top 10 cricket venues, but faces competition from an increasing number of grounds around the country, and requires significant investment to address a range of essential maintenance issues and a general upgrade of facilities.

The Basin Reserve Trust has developed a Master Plan to present a 25-year vision for the future of the ground. The key features of the vision are to retain the premier test status of the ground and to enhance the Basin Reserve as a local recreation space for the community.

The Master Plan outlines \$21 million of spending over the next 10 years for the upgrade. Implementation of this plan will begin from 1 July 2015, and this will include the Council considering a business case for floodlights and making a decision on the future of the Museum Stand.

### **National Hockey Stadium**

The Council will install a third artificial turf sports field at the National Hockey Stadium in Berhampore, to accommodate growing demand and improve the stadium's capacity to host hockey tournaments and events.

Participation in hockey has grown significantly in the last decade, to a point where the stadium is now operating at capacity with 95% winter utilisation rate. We have budgeted \$1.5 million of capital expenditure for the upgrade.

### **Johnsonville facility improvements**

In addition to roading improvements in Johnsonville, the next steps in the suburb's redevelopment are the completion of major redevelopments of Alex Moore Park and Johnsonville Library.

The first stage of the park's redevelopment was in 2014, with construction of a car park and perimeter walkway, and installation of artificial turf on the northern sports field.

We will also contribute \$1.75 million, over the next three years, to the next stages of this project. This will contribute to funding of a new pavilion, public toilets and further car parking, with local clubs fundraising for the remainder.

We plan to build a new, larger library in Johnsonville, to cater for increasing demand as the area's population grows. Where possible this library will be built to a high Green Star rating. We have budgeted \$17 million in capital expenditure for this work.

The new library will be located between the Keith Spry Pool and the Johnsonville Community Centre, allowing the three facilities to operate as an integrated community hub. It is likely to include a café and possibly other community space as well as library facilities.

Design work for the new library will this year, with the aim of having the building open in 2018.

### **Dog exercise areas**

We propose to construct fences around three dog exercise areas over the next three years. This will cost \$200,000 in capital expenditure.

These areas make it possible to have dogs off their leash to run free and keep them and the public safe.

The parks earmarked for this upgrade are Ian Galloway Park, part of Sinclair Park and Taylor Park.

### **Removing graffiti**

In our Residents Monitoring Survey, 98% of Wellingtonians perceive their city to be safe, and we would like to keep it that way.

While only 40% of our residents voiced concerns over graffiti, the overall perception is that graffiti contributes to people feeling unsafe when walking in town.

We will increase our graffiti-removal budget by a further \$180,000.

### **A Child-Friendly city**

It's important for Wellington to cater for young people and their families, and for the Council this means providing safe, accessible and enjoyable places for recreation and play, and offering community events and activities that are suitable for all.

A Child-Friendly city is one where the voices, needs and priorities of children are an integral part of public policies, programmes and decisions. A Child-Friendly city is a place where children can influence decisions, express their opinions of their city, and be safe and protected from exploitation, violence and abuse.

This initiative will help build the social conditions for strong families and connected communities and we will work with our partners and other councils in the region to develop an action plan to deliver initiatives that include: education and rights awareness, play and recreation, transport, safety.

As well as sport and recreation facilities (above), the Council provides 13 libraries and more than 100 neighbourhood playgrounds throughout the city; and funds events such as the Artsplash annual arts festival for children, and Neighbours Day events.

In the next three years, we will upgrade the children's playground at the Botanic Garden.

## **1<sup>st</sup> place**

In a 2014 survey of six NZ cities, Wellington residents ranked first for happiness, health, life satisfaction, and overall quality of life.

Wellingtonians were also much more likely to feel safe than residents of any other city, and much more likely to value cultural diversity.

## **WHO Safe Community**

Wellington is the only capital city in the world to be accredited as a Safe Community under the World Health Organisation's International Safe Communities programme.

Over the next three years, one of our key priorities is to retain that safe city status.

## SOCIAL AND RECREATION - GROUP OF ACTIVITIES

GROUP OF ACTIVITIES	RATIONALE	SERVICE OFFERING	NEGATIVE EFFECTS
<b>5.1 Recreation promotion and support</b>	Encouraging active and healthy lifestyles.	<ul style="list-style-type: none"> <li>Seven swimming pools for people to learn to swim, exercise, participate in aquatic sports or have fun.</li> </ul>	<p>There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste (solid, liquid), direct energy use to operate the building, indirect energy use from people using transport to access them. Our operations are managed so that waste is minimised or recycled and energy and water is conserved. We also encourage the use of public transport, walking and cycling as a means of getting around the city.</p> <p>Our swimming pools pose the additional risks of drowning. We manage this through a number of steps, most notably through the continuous presence of trained lifeguards. We also offer learn to swim programmes.</p>
5.1.1 Swimming pools	Enabling participation in sporting and other group activities.	<ul style="list-style-type: none"> <li>Four multi-purpose recreation centres plus the ASB Sports Centre.</li> </ul>	
5.1.2 Sports fields		<ul style="list-style-type: none"> <li>44 natural and nine artificial sports turfs (two in partnership with schools), eight croquet lawns, Berhampore Golf Course, Newtown Park running track, a velodrome, tennis / netball courts.</li> </ul>	
5.1.3 Sports fields (synthetic)	Social cohesion.		
5.1.4 Recreation Centres	Greater participation with encouragement of greater use of existing facilities.	<ul style="list-style-type: none"> <li>The Evans Bay Marina and Clyde Quay Boat Harbour.</li> </ul>	
5.1.5 Recreation partnerships		<ul style="list-style-type: none"> <li>Funding towards the Basin Reserve Master Plan Upgrade.</li> </ul>	
5.1.6 Playgrounds			
5.1.7 Marinas			
5.1.8 Golf course			
5.1.9 Recreation programmes			
<b>5.2 Community support</b>	Fostering diverse and inclusive communities.	<ul style="list-style-type: none"> <li>12 libraries plus an online branch providing access to over a wide array of books, magazines, DVD, e-books and e-audio, online journals, e-music tracks.</li> </ul>	<p>We undertake these activities to enhance the quality of life of the city's residents and mitigate social harm.</p> <p>While there are negative effects from owning and managing buildings and other assets through which the majority of these services are provided - we seek to minimise these negative effects by ensuring our operations are managed effectively and that waste is minimised or recycled and energy and water is conserved.</p>
5.2.1 Libraries	Enabling people to connect with information and each other.	<ul style="list-style-type: none"> <li>Provision of community facilities and services including a city wide network of 18 community centres and community grants.</li> </ul>	
5.2.2 Access support		<ul style="list-style-type: none"> <li>Partnering with key social and health agencies to ensure there is a coordinated approach to address emerging community issues.</li> </ul>	
5.2.3 Community advocacy		<ul style="list-style-type: none"> <li>Community outreach and children's literacy programmes.</li> </ul>	
5.2.4 Grants (Social and Recreation)		<ul style="list-style-type: none"> <li>Supported community service providers and programmes to meet the needs of our diverse communities and most vulnerable residents.</li> </ul>	
5.2.5 Housing		<ul style="list-style-type: none"> <li>Housing approximately 4,000 people in 2,200 units.</li> </ul>	
5.2.6 Community centres and halls		<ul style="list-style-type: none"> <li>18 community centres and halls providing services, programmes, spaces for hire, childcare and education services.</li> </ul>	
<b>5.3 Public health and safety</b>	Maintaining health standards	<ul style="list-style-type: none"> <li>Cemeteries at Karori and Makara with a crematorium at Karori Cemetery.</li> </ul>	<p>These activities exist to mitigate and manage significant risks - from natural disasters, personal safety in the city, to unhealthy food preparation practices.</p>
5.3.1 Burials and cremations	Activities that make people feel safe	<ul style="list-style-type: none"> <li>70 public toilets, beach and sportsfields changing rooms/pavilions.</li> </ul>	
5.3.2 Public toilets	Safety (and child friendly)	<ul style="list-style-type: none"> <li>Regulating food and liquor outlets, animal, trade waste and managing environmental noise issues.</li> </ul>	<p>These activities are necessary to ensure negative effects from other people's activities or from a natural disaster are controlled and managed.</p>
5.3.3 Public health regulations		<ul style="list-style-type: none"> <li>Maintaining WHO Safe City accreditation.</li> </ul>	
5.3.4 City safety		<ul style="list-style-type: none"> <li>Provide a 'city hosts' service, managing graffiti and supporting community initiatives.</li> </ul>	
5.3.5 WREMO			

**SOCIAL AND RECREATION - PERFORMANCE MEASURES**

SOCIAL AND RECREATION	
<b>Objectives</b>	<p><b>Social cohesion</b></p> <p><b>Participation in city life</b></p> <p><b>Greater use of existing facilities</b></p> <p><b>Safety (and child friendly)</b></p>
<b>Outcome indicators</b>	<p>Residents' usage of City Council community and recreation facilities</p> <p>Residents' perceptions that Wellington offers a wide range of recreation activities</p> <p>Residents' frequency of physical activity</p> <p>Residents' perceptions that there are barriers to participating in recreation activities</p> <p>Residents' importance of sense of community in local neighbourhood</p> <p>Residents' usage of libraries and frequency of use Residents' engaging in neighbourly actions</p> <p>Housing Services tenants who report positive social contact</p> <p>Residents' perceptions - city and community safety issues of most concern</p> <p>Recorded crime and resolution rates - by categories</p> <p>Number of notifications of the most prevalent food and water-borne diseases</p> <p>Residents' life expectancy</p> <p>Food premises - number of cleaning notices and closures per year</p> <p>Percentage of food premises with an inspection rating of excellent or very good that maintain or improve their inspection rating</p> <p>Number of uses of Leisure Card</p> <p>Dog control - complaints received (% of registered dogs)</p>

## 5.1 Recreation promotion and support

5.1.1 Swimming pools

5.1.2 Sports fields

5.1.3 Sports fields (synthetic)

5.1.4 Recreation centres

5.1.5 Recreation partnerships

5.1.6 Playgrounds

5.1.7 Marinas

5.1.8 Golf course

5.1.9 Recreation programmes

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25	
To measure the quality and usage (quantity) of the recreation facilities we provide	User (%) satisfaction - swimming pools	90%	90%	90%	90%	
	User (%) satisfaction - recreation centres and ASB centre	90%	90%	90%	90%	
	User (%) satisfaction - sports fields (including artificial sports fields)	85%	85%	85%	85%	
	Visits to facilities - swimming pools	1,248,000	1,260,000	1,277,000	Increasing trend	
	Visits to facilities - recreation centres and ASB Centre	1,050,000	1,060,000	1,070,000	1,080,000	
	ASB Centre courts utilisation (%)	45%	45%	46%	46%	
	Sportsfields - % of scheduled sports games and training that take place	Winter	80%	80%	80%	80%
		Summer	90%	90%	90%	90%
	Marinas occupancy	96%	96%	96%	96%	
	Artificial sports fields % utilisation - peak and off peak (summer and winter)	Peak Winter	80%	80%	80%	80%
Peak Summer		40%	40%	40%	40%	
Off peak winter		25%	25%	25%	25%	
Off peak summer		20%	20%	20%	20%	

## 5.2 Community support

### 5.2.1 Libraries

### 5.2.2 Access support

### 5.2.3 Community advocacy

### 5.2.4 Grants (Social and Recreation)

### 5.2.5 Housing

### 5.2.6 Community centres and halls

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality and usage (quantity) of the housing services we provide	Tenant satisfaction (%) with services and facilities	90%	90%	90%	90%
	Tenant rating (%) of the overall condition of their house/apartment (good and very good)	90%	90%	90%	90%
	Tenant (%) sense of safety in their complex at night	75%	75%	75%	75%
	Occupancy rate of available housing facilities	90%	90%	90%	90%
	All tenants (existing and new) housed with policy	98%	98%	98%	98%
To measure the progress of the Housing Upgrade Project	Agreed milestones, design standards and budgets are met in accordance with the agreed works programme and Deed of Grant between the Crown and the Council	To achieve	To achieve	To achieve	To achieve
To measure the quality and usage (quantity) of our community and recreation support services (including libraries)	Libraries - user (%) satisfaction with services and facilities	90%	90%	90%	90%
	E-library users satisfaction (%) with the online library collection	75%	75%	75%	75%
	Accessible Wellington Action Plan initiatives planned for next year	90%	90%	90%	90%
	The proportion of grants fund successfully allocated (through milestones being met)	95%	95%	95%	95%
	Proportion of outcomes delivered (previous projects) - weighted by \$ value	90%	90%	90%	90%
	Libraries - residents (%) who are registered members	75%	75%	75%	75%
	Libraries - physical visits	2,400,000	2,400,000	2,400,000	2,400,000
	Libraries - website visits	2,500,000	2,500,000	2,500,000	2,500,000
	Library items issued	3,000,000	3,000,000	3,000,000	3,000,000
Occupancy rates (%) of Wellington City Council community centres and halls	45%	45%	45%	45%	

### 5.3 Public health and safety

5.3.1 Burials and cremations

5.3.2 Public toilets

5.3.3 Public health regulations

5.3.4 City safety

5.3.5 WREMO

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of our public health and safety services and programmes and our timeliness in responding to service requests	Dog control - urgent requests responded to within one hour and non-urgent within 24 hours	Urgent 100%	Urgent 100%	Urgent 100%	Urgent 100%
		Non urgent 99%	Non urgent 99%	Non urgent 99%	Non urgent 99%
	WCC public toilets - urgent requests responded to within four hours and non-urgent within three days	Urgent 100%	Urgent 100%	Urgent 100%	Urgent 100%
		Non urgent 95%	Non urgent 95%	Non urgent 95%	Non urgent 95%
	WCC public toilets (%) that meet required cleanliness and maintenance performance standards	95%	95%	95%	95%
	Percentage of medium, high and very high risk premises that are inspected annually	100%	100%	100%	100%
Percentage of inspections of medium, high and very high risk premises that are carried out during peak trading hours	25%	25%	25%	25%	
Graffiti removal - response timeframes met	80%	80%	80%	80%	

## SOCIAL AND RECREATION - ACTIVITY BUDGET

<b>5.1 RECREATION PROMOTION AND SUPPORT</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.1.1 - Swimming pools	19,174	20,476	20,919	20,874	224,972
5.1.2 - Sportsfields	3,339	3,405	3,472	3,482	36,938
5.1.3 - Sportsfields (Synthetic)	1,453	1,354	1,345	1,562	14,062
5.1.4 - Recreation centres	9,987	9,703	9,915	9,918	103,624
5.1.5 - Recreation partnerships	1,039	1,088	1,214	1,341	17,396
5.1.6 - Playgrounds	721	737	747	776	7,900
5.1.7 - Marinas	571	602	669	688	7,437
5.1.8 - Golf course	240	270	272	275	2,813
5.1.9 - Recreation programmes	483	282	287	291	3,166
<b>Total operating expenditure</b>	<b>37,007</b>	<b>37,917</b>	<b>38,840</b>	<b>39,207</b>	<b>418,308</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.1.1 - Swimming pools	1,369	2,417	1,853	1,258	18,490
5.1.2 - Sportsfields	518	650	405	492	4,921
5.1.3 - Sportsfields (Synthetic)	50	560	1,399	-	6,281
5.1.4 - Recreation centres	26	260	77	347	2,669
5.1.5 - Recreation partnerships	352	3,468	3,085	3,058	21,525
5.1.6 - Playgrounds	610	414	455	328	3,929
5.1.7 - Marinas	96	558	141	204	3,748
5.1.8 - Golf course	-	-	-	-	-
5.1.9 - Recreation programmes	-	-	-	-	-
<b>Total capital expenditure</b>	<b>3,021</b>	<b>8,327</b>	<b>7,415</b>	<b>5,687</b>	<b>61,563</b>

<b>5.2 COMMUNITY SUPPORT</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.2.1 - Libraries	20,787	20,843	22,323	23,885	256,779
5.2.2 - Access support (Leisure Card)	53	105	106	108	1,172
5.2.3 - Community advocacy	1,454	1,279	1,291	1,310	14,218
5.2.4 - Grants (Social and Recreation)	2,795	3,643	3,984	4,357	39,272
5.2.5 - Housing	25,417	25,540	25,512	26,788	283,444
5.2.6 - Community centres and halls	2,947	3,201	3,462	3,535	39,232
<b>Total operating expenditure</b>	<b>32,663</b>	<b>54,611</b>	<b>56,678</b>	<b>59,983</b>	<b>634,117</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.2.1 - Libraries	2,530	5,627	8,838	11,895	46,990
5.2.2 - Access support (Leisure Card)	-	-	-	-	-
5.2.3 - Community advocacy	-	-	-	-	-
5.2.4 - Grants (Social and Recreation)	-	-	-	-	-
5.2.5 - Housing	36,647	29,121	23,492	7,876	153,225
5.2.6 - Community centres and halls	22	154	262	1,049	7,775
<b>Total capital expenditure</b>	<b>39,199</b>	<b>34,902</b>	<b>32,592</b>	<b>20,820</b>	<b>207,990</b>
<b>5.3 PUBLIC HEALTH AND SAFETY</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.3.1 - Burials and cremations	1,637	1,648	1,724	1,786	19,664
5.3.2 - Public toilets	2,432	2,661	2,756	2,901	32,288
5.3.3 - Public health regulations	4,726	5,276	5,279	5,394	59,478
5.3.4 - City safety	2,138	2,674	2,717	2,763	29,800
5.3.5 - WREMO	1,387	1,337	1,372	1,456	15,542
<b>Total operating expenditure</b>	<b>12,320</b>	<b>13,596</b>	<b>13,848</b>	<b>14,300</b>	<b>156,772</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
5.3.1 - Burials and cremations	280	635	315	384	4,033
5.3.2 - Public toilets	987	984	1,365	1,458	12,906
5.3.3 - Public health regulations	-	-	-	-	-
5.3.4 - City safety	-	-	-	-	-
5.3.5 - WREMO	43	52	-	279	365
<b>Total capital expenditure</b>	<b>1,310</b>	<b>1,671</b>	<b>1,680</b>	<b>2,121</b>	<b>17,304</b>

# 6

## Urban development Tāone tupu ora me

# 7

## Transport Waka

### BY THE NUMBERS

**46,300**

Projected Wellington City population increase 2014-2043. This is an increase of 23%.

**94%**

Increase in number of people cycling to and from work - 2001-2013.

**21,400**

Projected increase in the number of dwellings in Wellington city 2013-2043. This is an increase of 27.4%.

**25%**

Increase in number of people using buses to get to and from work - 2001-2013.

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

Our transport work includes transport planning, managing the city's network of roads, cycleways and walkways, managing parking in the city, and promoting safety.

We fund these services because they matter to the lives of individual Wellingtonians and to the community as a whole.

Our work helps to make Wellington a compact, vibrant, attractive city in which it is easy to get from place to place.

This is essential for connections between people, their ability to interact with each other, and their enjoyment of the city and what it has to offer.

It is necessary for the economy, the ability of businesses to reach their markets, and to collaborate and innovate.

It is vital for the environment because a city with a smaller footprint produces fewer emissions and consumes fewer resources.

It is crucial for people's health and safety, in the buildings they live and work in, and on the roads, walkways and public spaces they use.

In the next 10 years, the Council plans to spend more than \$1.2 billion (net) on transport and urban development.

We aim to manage development so the city remains compact, vibrant, attractive, safe and resilient, in which it's easy for people to connect with each other and to move from place to place.

The Council is one player among many in the city's built environment. Urban development and transport decisions also involve central and regional government, businesses, local communities, and individuals.

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

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

Most urban development and transport services are publicly funded by local authorities and central government as they are core activities from which all residents benefit. Some services have a private component, in which case users are charged to cover at least part of the cost of providing the service, for example via development contributions.

## KEY PROJECTS

### Better transport options

Wellington's transport network plays an important role in the region's economy by helping people to connect with each other and bringing goods to market.

An efficient transport network is also important for health and wellbeing, for connections between people, and the environment.

Though parts of Wellington's transport network perform well, others are struggling. There is congestion, particularly at peak times, on northern routes into and out of the city centre, and on the route from the city to the airport.

The network is also potentially vulnerable in the event of an earthquake or other major emergency, due to the limited number of routes into and out of the city.

The network also provides limited choice and currently supports vehicle transport more effectively than other modes such as buses or cycles.

Addressing these issues will require a balanced approach with stronger public transport and cycle options alongside vehicle network improvements.

The Council is committed to work with others to see land transport network improvements implemented, so that residents can enjoy safer, more convenient journeys, and the region's economic potential can be unlocked.

We are investing significantly in the coming years to improve the city's network of cycleways. We have set aside \$58 million over the next 10 years to implement a city wide-network of safe cycling routes.

Over the next 10 years the Council will also invest \$2 million for pedestrian improvements focussed on safer routes to schools.

An additional \$1.1 million has also been allocated in 2015/16 to strengthen and recess the Karori Road retaining wall which will improve bus and cycle access.

Another key priority will be the implementation of the Wellington Regional Transport Plan, under which a high-frequency, low emission Bus Rapid Transit service will be introduced on key routes linking the central city to the Basin Reserve, Newtown and Kilbirnie. Detailed plans are still to be finalised and funding options will be considered in future annual plans.

### **Affordable buses**

We are also proposing the introduction of subsidies to drive greater bus use.

We provide the network for buses but the service itself is the responsibility of the Greater Wellington Regional Council.

There has been low growth in the use of the service in recent years. Reliability, frequency and cost are key factors limiting uptake.

We are keen to trial a lower cost service and propose to introduce a capped fare at weekends in the lead-up to Christmas. We have allocated \$200,000 towards this programme.

We also propose to part-fund a discount scheme for tertiary student bus fares. The project aims to enable more tertiary students to travel by bus. We've set aside \$75,000 for the service and expect to see contributions from the regional council and support from the universities.

### **Vehicle network**

Improvements to the vehicle network are also needed. We support NZTA's programme for Wellington, which aims to unlock the city's economic potential by improving transport routes into the city, and from the city to the airport. One of our top priorities will be to find a solution to Basin Reserve traffic congestion in a way that supports increased traffic flow while meeting community aspirations. The programme also includes duplicating or widening the Mount Victoria and Terrace tunnels.

Land transport initiatives are funded by Greater Wellington Regional Council, NZTA, the Council, and users.

Other priorities include:

- Improving vehicle access to the Port of Wellington
- Installing high-efficiency LED street lighting throughout the city to reduce energy use and ongoing costs. We have set aside \$200,000 to further develop this initiative
- Installing parking sensors to provide better parking information to support possible policy changes including flexible pricing. The cost of full implementation is approximately \$1.5 million, with expected savings of \$8 million over 10 years.

### **Urban regeneration**

Although Wellington has a vibrant Central Business District, parts of the inner city remain underdeveloped. Fragmented ownership and a shortage of capital combine to slow development that could otherwise unlock economic potential and bring social and environmental benefits.

Of particular significance is the 'growth spine', linking the northern suburbs to the central city, the Basin Reserve, Newtown and Kilbirnie. By focusing future development along this spine, we can significantly increase housing supply and create vibrant, new, mixed-use city and suburban areas.

Focusing growth is also better for the environment, as it ensures that land is used efficiently, and reduces dependence on private cars.

In coming years, key projects will include:

- Redeveloping the north end of Adelaide Road into a vibrant, mixed-use neighbourhood with high quality public spaces, rapid bus links, and new developments featuring apartments, workplaces, shops and cafes
- Redeveloping Kent and Cambridge Terraces, with planting and streetscape improvements to give the Central Business District a 'green edge' to improve connections between the waterfront, Central Business District and the Pukeahu National War Memorial Park and to provide for more apartment and retail/commercial development.

Other urban development initiatives include:

- Upgrading inner-city walkways to make them safer, more vibrant and attractive
- Establishing a \$600,000 'tactical urbanism' fund to support small-scale urban regeneration projects such as pop-up parks and outdoor performance spaces.

These projects will build on the considerable work done in the last 10 years to upgrade the city's public spaces. These have included major projects such as the creation of Waitangi Park and Pukeahu National War Memorial Park, transformation of other waterfront spaces, the creation of several new inner city parks, and upgrades of Kilbirnie, Miramar and other town centres.

### **Urban regeneration agency**

To act as a catalyst for inner city regeneration, the Council is exploring opportunities to establish an urban development agency. This organisation would play an active role in regenerating the city.

Urban development agencies have proved successful internationally at driving urban regeneration. The success of Wellington's waterfront also shows the benefits of having a single organisation coordinating city development while working in partnership with other investors.

Establishing such an agency could allow us to:

- Speed up inner city regeneration
- Focus growth in targeted areas with strong transport links and other infrastructure
- Ensure that development aligns with other social, economic and environmental priorities
- Protect heritage through targeted investment and strengthening of earthquake-prone buildings.

### **Protecting Wellington's heritage buildings**

Heritage buildings make an important contribution to the city's character, but many require strengthening to make them safe in earthquakes. We support building owners by providing grants for earthquake strengthening. Over the next three years we will provide \$3 million to the Built Heritage Incentive Fund to increase the number of buildings that are being strengthened.

We will also undertake a heritage audit /study of Mt Victoria in 2015/16.

### **City resilience**

Our work to improve the resilience of the city (and region) will continue over the period of this Long-term Plan. Many actions are now largely 'business-as-usual' including ongoing upgrades of key infrastructure, assessment of earthquake-prone buildings, planning for emergency response and restoration of key lifelines, and planning for hazards and climate change. A new focus area will be the development of a comprehensive resilience strategy for the city's infrastructure and communities, including a particular focus on ensuring the city's economic resilience.

### **Revitalising the Civic Precinct and strengthening the Town Hall**

The Civic Precinct is an important hub of Wellington's civic and cultural life. Several of the precinct's buildings now require strengthening to bring them closer to modern earthquake standards.

This creates an opportunity to refurbish and revitalise Civic Square, opening it up to a wider range of uses and improving links with surrounding buildings and streets to

make the square more lively and attractive. Key aspects of the plan include:

- Earthquake-strengthening the Town Hall, the Central Library, the office buildings currently occupied by the Council, and possibly the Capital E space
- Establishing a national music hub in the Town Hall and Michael Fowler Centre and potentially other spaces in the precinct
- Leasing Jack Ilott Green and the Michael Fowler Centre car park sites (and possibly the Municipal Office Building) long-term to allow construction of new buildings or site redevelopment, with income used to offset earthquake-strengthening costs
- Upgrading civic square and improving links with surrounding streets, and where possible providing green open space in the Civic Square precinct to compensate for the loss of Jack Ilott Green.

The proposed lease of the Town Hall, Jack Ilott Green and Michael Fowler Centre car park (and possibly the Municipal Office Building) will require specific Council approval.

### **Cheering up the streets and laneways**

We are working with others to increase levels of economic activity and pedestrian movement along inner city lanes and streets.

The works will include physical improvements such as lighting in key locations and a rolling programme of low-cost, pop-up activities at changing locations across the city. Improvements to Lombard Lane are part of this wider programme of street and laneway upgrades and \$1.5 million has been budgeted in 2016/17 for this work.

### **Waterfront Development Plan and Frank Kitts Park**

A three-year Waterfront Development Plan is in our Long-term Plan. Key aspects of the plan include:

- Frank Kitts Park - we are redeveloping the park, re-orienting its focus towards the harbour and integrating a long-planned Chinese Garden. The park, which will retain the name Frank Kitts Park, will include large areas of open lawn, along with a much-improved children's play area. We have budgeted \$5.5 million for the project
- North Kumototo - completion of the development of the North Kumototo public space and building on site 10
- Outer T - develop a purpose built commercial helicopter facility on the southern end of the Queens Wharf outer T

Refer to the Waterfront Development Plan in the appendices for more information.

### Medium-density housing

The Council has already created medium-density residential zones in Johnsonville and Kilbirnie. Consultation with residents in Karori and Tawa will determine the extent to which medium-density housing may be suitable for those communities.

We are working with the local communities to identify aspects of the town centres which could be improved to better accommodate an increased population. Benefits could include increased housing supply, choice and affordability, improved use of public transport, walking and cycling, and optimised use of existing infrastructure and facilities.

More detailed information on our urban development projects and programmes is in the Council's Urban Growth Plan at [wellington.govt.nz/your-council/plans-policies-and-bylaws/policies](http://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies).

## 1<sup>st</sup> place

In a 2014 survey of six NZ cities, Wellington residents were much more likely than residents of other cities to:

- perceive their city and local area as great places to live
- be proud of the look and feel of their city and local area
- be positive about their city's urban design, including the quality of buildings and public spaces.

Wellingtonians use public transport more often, and private cars less often, than residents of other cities.

## URBAN DEVELOPMENT - GROUP OF ACTIVITIES

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

## URBAN DEVELOPMENT - PERFORMANCE MEASURES

### URBAN DEVELOPMENT

<b>Objectives</b>	<p><b>Smart growth/urban containment</b></p> <p><b>Resilience</b></p> <p><b>Character protection</b></p>
<b>Outcome indicators</b>	<p>Residents' perceptions that Wellington is a great place to live, work and play</p> <p>Value of residential and commercial building consents</p> <p>Population - growth and density (central city, growth spine)</p> <p>Residents' perceptions of the city centre as an easy place to get to, use and enjoy</p> <p>Residents' perceptions of urban design/urban form safety issues (i.e. graffiti, vandalism, poorly-lit public spaces etc.)</p> <p>Building density throughout the city</p> <p>Proportion of houses within 100 metres of a public transport stop</p> <p>Residents' perceptions that heritage items contribute to the city and local communities' unique character</p> <p>New Zealanders' perceptions that Wellington is an attractive destination</p>

#### 6.1 Urban planning, heritage and public spaces development (including Waterfront development)

6.1.1 Urban planning and policy development

6.1.2 City shaper development

6.1.3 Public spaces and centres development

6.1.4 Built heritage development

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of our urban planning, heritage protection and development work	Residents (%) who agree the city is developing in a way that maintains high quality design	Baseline	Increase from previous year	Increase from previous year	Increasing trend
	District Plan listed items that are removed or demolished	Nil	Nil	Nil	Nil
	Residents (%) who agree the central city is lively and attractive	87%	87%	87%	87%
	Residents (%) who agree their local suburban centre is lively and attractive	60%	60%	60%	60%
	Residents (%) who rate their waterfront experience as good or very good	90%	90%	90%	90%
	The proportion of grants funds successfully allocated (through milestones being met)	95%	95%	95%	95%
	Residents (%) who agree heritage items are appropriately valued and protected	65%	65%	65%	65%

## 6.2 Building and development control

### 6.2.1 Building control and facilitation

### 6.2.2 Development control and facilitation

### 6.2.3 Earthquake risk mitigation - built environment

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the timeliness of our building and development control services	Building consents issued within 20 working days	100%	100%	100%	100%
	Code of Compliance certificates issued within 20 working days	100%	100%	100%	100%
	Land Information Memorandums (LIMs) issued within 10 working days	100%	100%	100%	100%
	Resource consents (non-notified) issued within statutory timeframes	100%	100%	100%	100%
	Resource consents that are monitored within 3 months of project commencement	90%	90%	90%	90%
	Subdivision certificates - Section 223 certificates issued within statutory timeframes	100%	100%	100%	100%
	Noise control (excessive noise) complaints investigated within one hour	90%	90%	90%	90%
	Environmental complaints investigated within 48 hours	98%	98%	98%	98%
	Customers (%) who rate building control services as good or very good	70%	70%	70%	70%
	Building Consent authority (BCA) accreditation retention (2-yearly)	To retain	n/a	To retain	To retain (2-yearly)
	Earthquake prone building notifications (section 124) (%) that are issued without successful challenge	95%	95%	95%	95%
To measure the quality of our building and development control services	Customers (%) who rate building control services as good or very good	70%	70%	70%	70%
	Building consent authority (BCA) accreditation retention (2-yearly)	To retain	n/a	To retain	n/a
To measure our progress on earthquake risk mitigation	Earthquake prone building notifications (section 124) (%) that are issued without successful challenge	95%	95%	95%	95%

## URBAN DEVELOPMENT - ACTIVITY BUDGET

<b>6.1 URBAN PLANNING, HERITAGE AND PUBLIC SPACES DEVELOPMENT</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
6.1.1 - Urban planning and policy	1,819	2,277	2,217	1,995	22,256
6.1.2 - Waterfront development	11,226	972	991	1,011	11,131
6.1.3 - Public spaces and centres development	1,763	2,169	2,148	2,185	22,427
6.1.4 - Built heritage development	1,026	1,498	2,007	1,767	12,875
<b>Total operating expenditure</b>	<b>15,834</b>	<b>6,916</b>	<b>7,363</b>	<b>6,958</b>	<b>68,689</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
6.1.1 - Urban planning and policy	-	-	-	-	-
6.1.2 - Waterfront development	2,712	6,843	7,105	4,184	56,657
6.1.3 - Public spaces and centres development	1,984	1,425	2,456	928	84,214
6.1.4 - Built heritage development	-	-	-	-	-
<b>Total capital expenditure</b>	<b>4,696</b>	<b>8,268</b>	<b>9,561</b>	<b>5,112</b>	<b>140,871</b>

<b>6.2 BUILDING AND DEVELOPMENT CONTROL</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
6.2.1 - Building control and facilitation	12,801	13,809	14,012	13,646	148,600
6.2.2 - Development control and facilitation	5,728	5,981	6,112	6,221	67,628
6.2.3 - Earthquake risk mitigation - built environment	1,469	1,710	1,598	1,959	20,140
<b>Total operating expenditure</b>	<b>19,998</b>	<b>21,500</b>	<b>21,722</b>	<b>21,826</b>	<b>236,368</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
6.2.1 - Building control and facilitation	-	-	-	-	-
6.2.2 - Development control and facilitation	-	-	-	-	-
6.2.3 - Earthquake risk mitigation - built environment	17,651	5,940	6,502	26,108	69,715
<b>Total capital expenditure</b>	<b>17,651</b>	<b>5,940</b>	<b>6,502</b>	<b>26,108</b>	<b>69,715</b>

## TRANSPORT - GROUP OF ACTIVITIES

GROUP OF ACTIVITIES	RATIONALE	SERVICE OFFERING	NEGATIVE EFFECTS
<b>7.1 Transport</b>	Increased active mode share	<ul style="list-style-type: none"> <li>54 road bridges (road and pedestrian) and 5 tunnels</li> </ul>	<p>With any transport system, the potential negative effects are significant. In particular, there are environmental costs, ranging from air and noise pollution to surface water runoff from roads that may carry contaminants (by-products of tyres, brakes and engines and deposition from exhaust gases) into the stormwater system. This environmental impact is linked to the number of vehicles on the road, however the dominant impact is the surrounding land uses, which direct stormwater run-off to the road. There are also potential negative effects from individual projects: for example, construction of any new road has effects on neighbours and neighbourhoods.</p> <p>Dealing with these effects is complex. Some issues, such as vehicle emission standards, are properly dealt with at a national level. Others, such as air and water quality, are regional issues. Of those issues that can be dealt with at a local level, we seek to reduce the cause of the negative effects where possible. At present there are few statutory requirements for road controlling authorities to mitigate contaminants in road runoff before it is discharged to the receiving environment.</p> <p>This Council does monitor the effects of stormwater run-off on aquatic receiving environments to ensure that adverse effects are avoided, remedied or mitigated.</p> <p>Other potentially significant negative effects we must consider include:</p> <ul style="list-style-type: none"> <li>The timing of road works and other improvements. These can impact on local businesses but may also affect growth opportunities. Our transport planning is designed to minimise the impact and focus our work in growth areas.</li> <li>Safety. The transport network brings pedestrians, cyclists and vehicles together. This presents hazards to users. We've developed road safety programmes and design solutions to reduce the likelihood and severity of accidents.</li> </ul>
7.1.1 Transport planning		<ul style="list-style-type: none"> <li>2,397 walls, 450 bus shelters and 18,000 street lights</li> </ul>	
7.1.2 Vehicle network	Road safety	<ul style="list-style-type: none"> <li>24.3 km of cycle ways</li> </ul>	
7.1.3 Cycle network	Reliable transport routes	<ul style="list-style-type: none"> <li>858 km of pedestrian paths 680 km of road pavements</li> </ul>	
7.1.4 Passenger transport network		<ul style="list-style-type: none"> <li>132 km of handrails, guardrails and sight rails</li> </ul>	
7.1.5 Pedestrian network	Reduced emissions	<ul style="list-style-type: none"> <li>1500 hectares of road corridor land</li> <li>21,500 signs and traffic signals</li> </ul>	
7.1.6 Network-wide control and management		<ul style="list-style-type: none"> <li>Lincolnshire Farm link roads</li> </ul>	
7.1.7 Road safety		<ul style="list-style-type: none"> <li>Cycleways</li> </ul>	
<b>7.2 Parking</b>	Enabling people to shop, work and access recreation activities	<ul style="list-style-type: none"> <li>12,000 on-street parking spaces, 3,400 of which are in the central city</li> <li>Street spaces for taxis, couriers, people with disabilities, bus stops and diplomatic services</li> <li>Managing off-street parking at Clifton Terrace, the Michael Fowler Centre, and beneath Civic Square</li> </ul>	

**TRANSPORT - PERFORMANCE MEASURES**

TRANSPORT	
<b>Objectives</b>	<p><b>Increased active mode share</b></p> <p><b>Road safety</b></p> <p><b>Reliable transport routes</b></p> <p><b>Reduced emissions</b></p>
<b>Outcome indicators</b>	<p>Residents' perceptions that peak traffic volumes are acceptable</p> <p>Residents' perceptions that the transport system allows easy access to the city</p> <p>Residents' perceptions of quality and affordability of public transport services</p> <p>Air quality monitoring (i.e. nitrogen dioxide, carbon monoxide, and particulate matter peaks)</p> <p>Change from previous year in the number of road crashes resulting in fatalities and serious injury.*</p> <p>Social cost of crashes</p> <p>Residents perceptions of transport related safety issues (i.e. issues of most concern)</p> <p>Number of cyclists and pedestrians entering the CBD (weekdays)</p> <p>Residents (%) who agree the transport system allows easy movement around the city - vehicle users and pedestrians</p>

## 7.1 Transport

### 7.1.1 Transport planning

### 7.1.2 Vehicle network

### 7.1.3 Cycle network

### 7.1.4 Passenger transport network

### 7.1.5 Pedestrian network

### 7.1.6 Network-wide control and management

### 7.1.7 Road safety

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality and timeliness of the transport infrastructure and service	Residents condition (%) rating of the network - roads and footpaths (good or very good)	Roads 75%	Roads 75%	Roads 75%	Roads 75%
		Footpaths 75%	Footpaths 75%	Footpaths 75%	Footpaths 75%
	Requests for service response rate - urgent (within 2 hours) and non-urgent (within 15 days)*	Urgent 100%	Urgent 100%	Urgent 100%	Urgent 100%
		Non-urgent 100%	Non-urgent 100%	Non-urgent 100%	Non-urgent 100%
	Roads (%) which meet smooth roads standards (average quality of ride on sealed local road network, measured by Smooth Travel Exposure based on NAASRA counts)*	70%	70%	70%	70%
	Footpath (%) condition rating (measured against WCC condition standards)*	97%	97%	97%	97%
	Street lighting (%) for major roads (arterial, principal and collector roads) meets national standards)	100%	100%	100%	100%
	Residents' satisfaction (%) with street lighting in the central city and suburban areas	Central city 85%	Central city 85%	Central city 85%	Central city 85%
		Suburbs 75%	Suburbs 75%	Suburbs 75%	Suburbs 75%
	Sea wall and retaining wall condition rating - walls (%) rated 3 or better (1 very good, 5 very bad)	90%	90%	90%	90%
Percentage of the sealed local road network that is resurfaced*	10%	10%	10%	10%	

\*DIA Mandatory measure

## 7.2 Parking

### 7.2.1 Parking

PURPOSE OF MEASURE	PERFORMANCE MEASURE	2015/16	2016/17	2017/18	2018-25
To measure the quality of our parking provision	On-street car park turn-over rates - weekdays and weekends	Weekday 6.8	Weekday 6.8	Weekday 6.8	Weekday 6.8
		Weekend 5.2	Weekend 5.2	Weekend 5.2	Weekend 5.2
	On-street car park average occupancy	75%	75%	75%	75%
	On-street car park compliance - time restrictions and payment	Time 95%	Time 95%	Time 95%	Time 95%
		Payment 90%	Payment 90%	Payment 90%	Payment 90%
	Residents' perceptions (%) that parking enforcement is fair	Increase from previous year			

## TRANSPORT - ACTIVITY BUDGET

<b>7.1 RECREATION PROMOTION AND SUPPORT</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
7.1.1 - Transport planning	1,108	1,144	817	712	6,660
7.1.2 - Vehicle network	23,136	22,645	23,543	25,858	301,520
7.1.3 - Cycle network	692	1,660	1,803	2,371	28,455
7.1.4 - Passenger transport network	1,612	1,720	4,036	1,653	22,315
7.1.5 - Pedestrian network	6,579	6,548	6,583	7,018	79,088
7.1.6 - Network-wide control and management	6,285	6,799	6,874	7,040	72,621
7.1.7 - Road safety	5,971	6,095	6,067	6,325	68,712
<b>Total operating expenditure</b>	<b>45,383</b>	<b>46,611</b>	<b>49,721</b>	<b>50,977</b>	<b>579,372</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
7.1.1 - Transport planning	-	-	-	-	-
7.1.2 - Vehicle network	24,565	23,017	19,479	25,300	286,755
7.1.3 - Cycle network	4,352	5,673	12,001	17,071	57,704
7.1.4 - Passenger transport network	161	145	902	1,140	22,859
7.1.5 - Pedestrian network	3,851	4,583	3,851	5,269	60,631
7.1.6 - Network-wide control and management	2,055	2,804	1,230	1,275	16,013
7.1.7 - Road safety	2,729	2,352	3,360	2,973	36,933
<b>Total capital expenditure</b>	<b>37,713</b>	<b>38,573</b>	<b>40,823</b>	<b>53,028</b>	<b>480,895</b>
<b>7.2 PARKING</b>	<b>2014/15 AP 2014/15 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2015/16 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2016/17 GROSS EXPENDITURE</b>	<b>2015-25 LTP 2017/18 GROSS EXPENDITURE</b>	<b>2015-25 LTP 10-YEAR TOTAL GROSS EXPENDITURE</b>
<b>Operating expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
7.2.1 - Parking	11,936	13,404	13,358	13,619	154,210
<b>Total operating expenditure</b>	<b>11,936</b>	<b>13,404</b>	<b>13,358</b>	<b>13,619</b>	<b>154,210</b>
<b>Capital expenditure</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>	<b>(\$000)</b>
7.2.1 - Parking	180	1,449	496	298	8,842
<b>Total capital expenditure</b>	<b>180</b>	<b>1,449</b>	<b>496</b>	<b>298</b>	<b>8,842</b>

## Council Controlled Organisations

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



### WELLINGTON REGIONAL STADIUM TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC).</p> <p>As at <b>1 July 2015</b>, they are John Shewan (Chair), Councillor Nigel Wilson (GWRC), Therese Walsh, Susan Elliott, Steven Fyfe, Mark McGuinness, Rachel Taulelei and Councillor Simon Marsh (WCC).</p> <p>The Chief Executive is Shane Harmon.</p>	<p>The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high quality multi-purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors and event and fixture organisers.</p>	<p>Operates the Stadium.</p> <p>Manages the event programme and seeks opportunities to provide regular quality events.</p> <p>Ensures the Stadium is provided to the community for appropriate usage.</p> <p>Administers the Trust assets and the Stadium on a prudent commercial basis.</p>	<p>Number of events.</p> <p>Total revenue.</p> <p>Event revenue.</p> <p>Net surplus.</p>

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



## WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>WREDA is the new regional economic development agency for the lower North Island, combining the economic development activities of Wellington City Council and the Greater Wellington Regional Council into one organisation.</p> <p>The Wellington City Council is an 80% shareholder, and the Greater Wellington Regional Council is a 20% shareholder</p> <p>As at <b>1 July 2015</b>, the board members are Peter Biggs (Chair), Helen Anderson, Matt Clarke, Sarah Gibbs, Prof. Grant Guilford, Richard Laverty, Paul Mersi, Thomas Pippas and Lorraine Witten.</p> <p>The Chief Executive is Chris Whelan.</p>	<p>WREDA is a new economic development agency that brings together the region's economic development agency (Grow Wellington) with existing city tourism (Positively Wellington Tourism) and venues (Positively Wellington Venues) agencies, and the Wellington City Council's major events activities.</p> <p>The benefits to the region of a single agency include: one voice, clearer focus, better use of resources, and improved scale and capacity.</p>	<p>Per the WREDA final SOI.</p>	<p>Per the WREDA final SOI.</p>

## WELLINGTON MUSEUMS TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>All trustees are appointed by the Council.</p> <p>As at <b>1 July 2015</b>, they are Quentin Hay (Chair), Councillor Nicola Young, Jackie Lloyd, Rachel Farrant, and Jill Wilson.</p> <p>The Chief Executive is Pat Stuart.</p>	<p>The Wellington Museums Trust (WMT) was established in 1995 to promote and manage the City Gallery Wellington, the Museum of Wellington City and Sea, the Colonial Cottage, Capital E, the Wellington Cable Car Museum, and the Carter Observatory.</p> <p>WMT manages its facilities, establishes exhibition programmes and education policies for its facilities, and develops acquisition, deaccession and collection development policies for its collections and artefacts.</p>	<p>Deliver high quality experiences, events and exhibitions at its facilities.</p> <p>Manage conservation and care for the objects of its collections, and conduct research and development to enhance visitors' experiences.</p> <p>Offer quality education experiences to children and young people.</p> <p>Promote and protect the heritage of venues.</p> <p>Work with national and international artists and collectors.</p>	<p>Attendance:</p> <ul style="list-style-type: none"> <li>• City Gallery</li> <li>• Capital E</li> <li>• Museum of Wellington</li> <li>• Cable Car Museum</li> <li>• Carter Observatory.</li> </ul> <p>Subsidy per visitor.</p> <p>Revenue per visitor.</p> <p>Total ownership cost to Council.</p> <p>Percentage of visitors who rate the quality of their experience as good or very good.</p> <p>Percentage of visitors that are repeat visitors.</p>



## WELLINGTON CABLE CAR LIMITED

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Council is the 100% shareholder in this company and appoints all of the directors.</p> <p>As at <b>1 July 2015</b>, they are Council officers Anthony Wilson and Andy Matthews.</p> <p>The Chief Executive is Simon Fleisher.</p>	<p>Wellington Cable Car Limited owns and operates the Cable Car.</p> <p>It also owns and maintains the overhead wiring system for the trolley bus passenger network which services the city.</p>	<p>Maintain the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the New Zealand Transport Agency.</p> <p>Market and manage the cable car passenger service operation.</p> <p>Manage the contract for the inspection, maintenance and repair of the trolley bus overhead wiring system.</p>	<p>Cable car passenger numbers.</p> <p>Cable car service reliability.</p> <p>Percentage of users who rate the standard and operational reliability of the Cable Car as good or very good.</p> <p>Net surplus.</p>



**WELLINGTON WATER LIMITED**

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>Wellington Water was established in September 2014 and was formed by the merger of Greater Wellington Regional Council's water supply group with Capacity Infrastructure Services, which was owned by Hutt, Porirua, Upper Hutt and Wellington city councils. The five local authorities are joint and equal owners of Wellington Water.</p> <p>Each council owns its respective water, stormwater and wastewater assets and determines the level and standard of services to be provided to its customers and ratepayers.</p> <p>As at <b>1 July 2015</b>, the Directors are John Strahl (Chair), Nicki Crauford, Ian Hutchings, Cynthia Brophy, David Wright and Raveen Jaduram.</p> <p>The Chief Executive is Colin Crampton.</p>	<p>To manage the provision of water services (water supply, storm water and wastewater) to the residents and businesses in the areas served by its customers.</p> <p>Wellington Water's shareholders are Wellington City Council, Hutt City Council, Porirua City Council, Upper Hutt City Council and the Greater Wellington Regional Council.</p>	<p>Provide high quality, safe and environmentally sustainable services to shareholding councils and other customers with a focus on contracted service delivery for the operation, maintenance and on-going development of drinking water, storm water and waste water assets and services, and asset management planning.</p>	<ul style="list-style-type: none"> <li>• Provide a reliable water supply, wastewater and stormwater management service.</li> <li>• Deliver budgeted capital expenditure projects for its shareholding councils.</li> <li>• Deliver budgeted operating and maintenance activities for its shareholding councils.</li> <li>• Comply with relevant standards, legislation and resource consents.</li> </ul>



## WELLINGTON ZOO TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council.</p> <p>As at <b>1 July 2015</b>, they are Ross Martin (Chair), Frances Russell, Linda Meade, Raewyn Bleakley, Craig Ellison, and Councillor Sarah Free.</p> <p>The Chief Executive is Karen Fifield.</p>	<p>The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.</p>	<p>Cares for resident animals and manages the animal collection.</p> <p>Provides a high-quality visitor experience.</p> <p>Participates in captive management breeding and breed-for-release programmes.</p> <p>Develops and maintains high quality animal exhibits.</p> <p>Delivers educational material and learning experiences.</p> <p>Contributes to zoological, conservation and facilities management research projects.</p>	<p>Number of visitors.</p> <p>Conservation Programme Managed Species (% of total collection).</p> <p>Average WCC subsidy per visitor.</p> <p>Total ownership cost to Council.</p> <p>Average income per visitor.</p> <p>Ratio of generated Trust income as % of WCC grant.</p>



## BASIN RESERVE TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington.</p> <p>As at <b>1 July 2015</b>, the two trustees appointed by the Council are Councillor Paul Eagle and Sir John Anderson (Chair). The two trustees appointed by Cricket Wellington are Mike Horsley and John Greenwood.</p> <p>The Chief Executive is Peter Clinton.</p>	<p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.</p>	<p>Manages the Basin Reserve for recreational activities and the playing of cricket for the residents of Wellington.</p> <p>Contributes to the events programme for Wellington.</p> <p>Operates as a successful not-for profit undertaking.</p> <p>Preserves and enhances the heritage value of the Basin Reserve.</p>	<p>Number of events:</p> <ul style="list-style-type: none"> <li>• Cricket</li> <li>• Other sports</li> <li>• Community.</li> </ul> <p>Number of event days:</p> <ul style="list-style-type: none"> <li>• Cricket</li> <li>• Other sports</li> <li>• Community.</li> </ul> <p>Attendance figures</p>

# Absolutely Positively Wellington City Council

Me Heke Ki Pōneke

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

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Council is the 100% shareholder in this company and appoints all of the directors.</p> <p>As at <b>1 July 2015</b>, they are council officers Kevin Lavery (chair), Derek Fry, Andy Matthews and Greg Orchard.</p> <p>On 1 April 2014, the external Board of Wellington Waterfront Limited was disestablished.</p>	<p>Wellington Waterfront Limited holds the assets of the Wellington Waterfront project (as defined in the Wellington Harbour Board and Wellington City Council Vesting and Empowering Act 1987) as bare Trustee for the Council.</p>	<p>Since 1 July 2014, Wellington Waterfront Limited has functioned as a holding company for Waterfront assets.</p>	<p>Not Applicable.</p> <p>On 30 June 2014 the Council terminated the management agreement with Wellington Waterfront Limited that appointed it as the implementation agency for the waterfront.</p>

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# Wellington Waterfront Development Plan - three years (2015/16-2017/18)

## CONTEXT

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

The Framework requires transparency and a willingness to engage with the public about how the waterfront is developed. A balance must be set between making good progress on the waterfront and providing the public with sufficient opportunity to be involved. The Council consulted on the draft WDP (alongside the 2015-25 draft LTP) to obtain community feedback and views on its plans for the waterfront and associated funding, before agreeing this plan.

For projects that are at an early or investigative stage, there will be further opportunity for consultation and obtaining feedback and views prior to the Council making a final decision on whether a particular project will proceed. In addition, most applications for resource consent are publicly notified so that provides a further opportunity for public engagement and input.

Implementation of the WDP is the responsibility of City Shaper (and other Council business units). City Shaper is a Council business unit which was established following the decision by the Council in December 2013 to bring the implementation of the waterfront project in-house from 1 July 2014. This was given effect by terminating the management agreement the Council had with Wellington Waterfront Ltd (WWL) and transferring the staff of WWL to the Council.<sup>2</sup>

This WDP covers the three-year period from 1 July 2015. This 3 year plan will be reviewed annually (i.e. in years 2 and 3 as part of the 2016/17 and 2017/18 Annual Plans).

## WHAT IS PLANNED FOR THE NEXT THREE YEARS

There are many proposed and on-going projects, all with different complexities, and in some cases, the potential to be interrelated. Some work needs to be done sequentially

because of physical requirements to maintain the waterfront experience as much as possible during construction or to coincide with neighbouring development activities. There may sometimes be financial implications that justify undertaking one piece of work before another. Further, sufficient flexibility must be built in to respond to good ideas or proposals in a timely manner, should they arise.

The following **key projects** are planned for the next three years.

### The Promenade

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

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

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

### Seawall and wharf maintenance

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

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

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

2 Wellington Waterfront Ltd remains a Council controlled organisation and owns the Waterfront assets which it holds on trust for Wellington City Council.

Further maintenance of these essential elements of the waterfront is planned for each of the next three years with an allocated budget sum of \$2.839 million.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$329	\$850	\$1,660

### Waitangi Precinct

The redevelopment of Clyde Quay Wharf and public space will be all but complete as we enter the 2015/16 financial year.

### Taranaki Street Wharf Precinct

The provision of a public toilet and change facility is proposed in 2015/16 to complement the popular jump platform.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$400	\$0	\$0

### Frank Kitts Park Precinct

Successive Waterfront Development Plans since 2007 have signalled the redevelopment of Frank Kitts Park.

The Council approved the Garden of Beneficence design for the proposed redevelopment of Frank Kitts Park in December 2007. The design includes the redevelopment of the children's playground, the Main Lawn and construction of the Chinese Garden, subject to the Wellington Chinese Garden Society (WCGS) meeting the costs of the Chinese Garden and Council costs. The project did not progress due to the global financial crisis and delays in the WCGS's fundraising.

The Council will implement the agreed Garden of Beneficence concept design which redevelops Frank Kitts Park with three key components - the Chinese Garden, the Main Lawn and the Children's Playground. We will first move to develop a design and apply for resource consent. The developed design will incorporate and address the feedback from consultation on the design, the issues highlighted below and the recommendations from Council's Technical Advisory Group.

- *Chinese Garden* - the Wellington Chinese Garden Society and sister cities Beijing and Xiamen are funding the Chinese garden element of the project.
- *Children's Playground* - revision of the children's playground design was referred to user group consultation and feedback in mid-2014 and resulting suggested improvements will be incorporated at the detailed design stage.
- *The Main Lawn* - further consideration will be given to the central Main Lawn area ensuring appropriate integration with the playground and Chinese garden, including spaces that are protected from weather elements to optimise casual lunchtime use as well as suitable events space.

Resource consent for the redevelopment of Frank Kitts Park will be applied for in the first half of the 2015/16 year and construction is likely to be undertaken over the 2015/16 and 2016/17 years.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$3,500	\$2,050	\$0

### Queens Wharf Precinct

Master planning for this area was completed and presented to the Council in 2011. With the exception of conversion of Shed 6 to the temporary convention centre, nothing has been progressed in the intervening period. The external refurbishment of shed 6 and TSB Arena will be completed in the 2015/16 financial year.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$2,300	\$0	\$0

Investigations into the establishment of more recreational activities in the Shed 6 harbour basin are ongoing.

Appropriate opportunities to breathe new life into Shed 1, the north end of Shed 6 and the outer-T of Queens Wharf will be sought.

The long established Helipro commercial helicopter business based in Shed 1 and the outer-T was placed in receivership in November 2014. Following a competitive selection process in early 2015, the Council has selected Garden City Helicopters as the operator from the outer-T. We are proposing a purpose-built helicopter facility on the southern end of the outer-T along the lines of what was proposed in the 2009 Blue Skies Ideas Competition. Prior to proceeding with this proposal, the Council will approve the design, lease and commercial terms.

### Kumutoto Precinct

Following the Council's approval of the development and lease agreement for sites 9 and 10 and subject to the successful outcome of the resource consent application, detailed development of the design of the public space will commence in 2015/16. Construction of the public space is likely to commence in 2016/17 approximately 6 - 9 months after the proposed commencement of construction of the site 10 building.

During the developer selection process, no proposals for site 9 were recommended to the Council by the previous WWL board and TAG. As a consequence, in conjunction with the development agreement for site 10, Willis Bond has a two-year option to submit a suitable development proposal for WCC consideration. However, if the Council wishes to progress development plans for site 9 before the end of the two-year period, there is a mechanism to do this. All future proposals for site 9 will be subject to public consultation and Council approval.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$0	\$3,075	\$2,100

### Motorhome Park

The proposed relocation of the Wellington Waterfront Motorhome Park to adjacent CentrePort- owned land to enable redevelopment of site 10 has been allowed for in the 2015/16 year.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$350	\$0	\$0

### Film Museum

Investigations into the development and feasibility of a movie museum on the waterfront as a major Wellington attraction are ongoing and if this progresses, there will be public consultation as required by the Wellington Waterfront Framework.

### Other capital renewals and general planning

An ongoing programme of repairs and maintenance, capital expenditure and renewals relating mainly to addressing seismic and resilience issues, public space lighting, bridge painting and historic wharf cranes repainting will be ongoing throughout the period in accordance with our Asset Management Plan.

CAPEX BUDGET (\$000):	2015/16	2016/17	2017/18
	\$560	\$308	\$210

## HOW WE'LL MEASURE OUR PERFORMANCE

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

The framework has set seven objectives for the waterfront.

- The waterfront is locally and internationally recognised for its design.
- The waterfront is readily accessible to all people.
- The waterfront is and is perceived to be, safe at all times.
- The waterfront is seen as an attractive place that draws Wellingtonians and visitors alike.
- The waterfront successfully caters for a wide range of events and activities.
- Significant heritage buildings are protected on the waterfront.
- Activities on the waterfront are integrated with those on the harbour.

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

Design outcomes will continue to be monitored by the Council's Technical Advisory Group, an independent provider of design advice for the Council. Drawing on the architecture, landscape architecture and urban design expertise of its members, TAG ensures that the Framework principles have been applied consistently in the design of buildings and public space.<sup>3</sup>

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

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

<sup>3</sup> TAG was appointed by Council in 2001 to ensure that Council decisions comply with the Framework. TAG has specific advisory and recommendatory roles and functions and is also delegated decision-making on certain public space proposals.

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## Statement of city housing portfolio assessment framework<sup>4</sup>

The Council is undertaking a significant upgrade of its social housing stock. This will require administrative decisions from time to time in relation to the disposal and reinvestment back into the housing portfolio.

The Council manages its City Housing Portfolio using the 'City Housing Portfolio Assessment Framework' (2014). The Council is committed by the 2008 Deed of Grant with the Crown to remain in social housing at approximately the same levels until June 2038 and ring-fence all income from its social housing activity for reinvestment back into the asset. All proceeds from the sale of social housing assets must be reinvested in the social housing portfolio.

The City Housing Portfolio Assessment Framework allows the Council to objectively assess and compare properties in the Council's present and potential future portfolio, in order to meet Council's strategic objectives. The Framework is based on a number of asset related principles:

- Location - Housing should be well located - i.e. close to public transportation routes and essential services
- Design - Housing should be maintained and renewed to contemporary, functional design standards in terms of access, aspect, security, use of space, health and safety, energy efficiency and use of materials
- Stock matched to demand - City Housing should be able to respond to demand from different sized and type of households
- Adaptability - Housing should be capable of responding to the needs of people with different cultural backgrounds, different physical abilities etc.
- Value retention - The Council's investment in housing should retain value over time.

The Community, Sport and Recreation Committee (or such other Committee that may have the form and function of the present Community, Sport and Recreation Committee) has been delegated the power to make decisions under the City Housing Portfolio Assessment Framework provided that:

- a) the divestment decision is less than \$2 million and
- b) the reinvestment of proceeds (from divestment) is in social housing
- c) the proposal is in accordance with the City Housing Portfolio Assessment Framework (2014), the Deed of Grant for Wellington City Council's Social Housing (2008) and the Council's Significance and Engagement Policy
- d) for any matter not meeting the requirements in a-c above, the Committee will have the power of recommendation only and the final decision will be made by Council.

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4 See Volume 2: Significance and Engagement Policy: List of Strategic Assets.



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**Part D:**  
**Financial information**

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# Financial Strategy - Investing for Growth

## Our 10-year plan

### A CHANGING FINANCIAL LANDSCAPE

In 2012 the Council's Financial Strategy was underpinned by fiscal restraint, recognising the organisation's big financial challenges, including earthquake strengthening, leaky buildings and rising insurance costs. Confidence in the economy was low and ratepayer expectations were for rates increases in line with inflation. The strategy conformed to existing practice and complemented existing financial policies. It set an annual rates increase target for 2012/13 equal to the Local Government Cost Index, lowering to CPI (around 2.5%) in subsequent years and planned for debt ratios significantly lower than all other metropolitan cities in New Zealand. But growth forecasts were low. The strategy was not sustainable and risked service cuts and minimal new offerings unless rates increased above the strategy's forecasts.

We have since reviewed how we deliver our services and consolidated our council-controlled organisations and implemented regional shared services in water, IT and procurement programmes. These and similar initiatives are expected to deliver savings in excess of \$50 million for Wellington ratepayers over the next 10 years - though this is not enough to fund the increasing expectations that we, our residents and businesses have for the city.

Rates increases equal to or lower than CPI (household inflation) are not sustainable in the long-term without cutting services. This would not be enough to fund what we provide now and meet ratepayer expectations for improved services.

Rather than risk cuts to services and a stagnating city, our new Financial Strategy provides a platform for the Council to invest and support economic growth, which in turn will create jobs, grow our ratepayer base and increase prosperity. We will achieve this by prioritising proposals for funding and expenditure that:

- Rebalance our spend and investment between key strategy areas
- Identify areas where service levels and performance are already high and increase the use of existing assets, rather than spending on new investments
- Invest in projects that grow the economy and deliver returns on our investment
- Encourage urban growth in areas where we have existing infrastructure and public transport and in a way that improves environmental performance
- Improve our asset management to better manage risk while also maintaining high levels of service delivery
- Achieve ongoing efficiencies within the organisation, with a focus on shared services and improved customer experiences.

### WORKING FROM A POSITION OF FINANCIAL STRENGTH

Wellington City Council is in a strong financial position. Our debt to income ratio is currently less than 100%. This compares favourably with other metropolitan councils whose equivalent ratios range from over 175% to around 275%. The Council also holds investments in Wellington Airport and a substantial ground lease portfolio that are valued at more than our \$384 million in borrowings. So the Council could theoretically sell these assets and have no debt at all.

In its 2014 review of the Council's credit rating, the independent credit rating agency Standard & Poor's judged Wellington City's stand-alone credit profile to be the highest of local government in New Zealand, and even higher than the Government's, but have capped it at the central government level. S&P's assessment that the Council has 'very strong financial management and budgetary flexibility, strong budgetary performance and liquidity and low contingent liabilities' supports our view that our credit strength and institutional framework will allow higher debt burdens as we progress our strategy to invest in projects to grow the Capital City's economy.

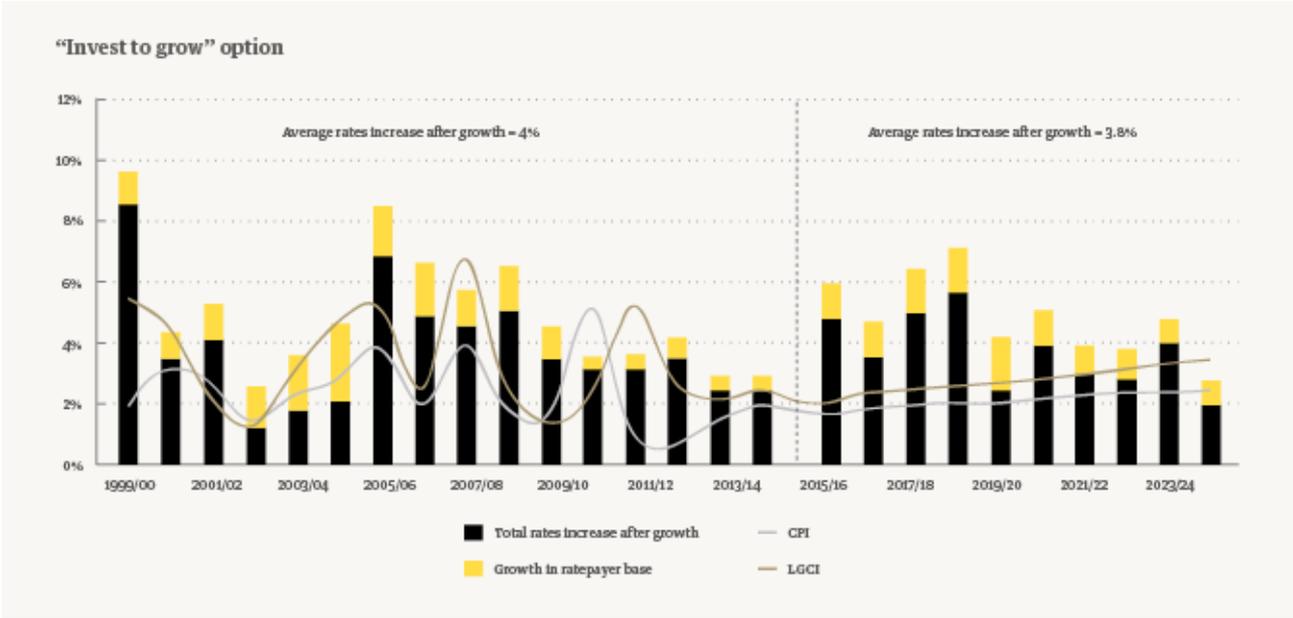
The Council uses debt to spread the cost of buying assets and services across those who will benefit from use of the asset over its life. This means we also need to consider the impact of servicing debt on the affordability of rates. In formulating our Financial Strategy we have ensured that the cost of servicing and repaying borrowing for each asset is catered for with proposed rating limits.

# Rates forecasts and limits

Our 'invest to grow' strategy provides to limit average rate increases at 4.5% over the first three years of the LTP and an average of 3.9% across the 10-year Plan.

<p>IF WE KEEP GOING AS WE ARE</p> <h2 style="color: yellow;">3.1%</h2> <p>Rates would increase by 3.1% on average annually over the next 10 years.</p> <p>And would be limited to 4.1% annually, on average, over the next three years.</p>	<p>IF WE INVEST FOR GROWTH</p> <h2 style="color: yellow;">3.9%</h2> <p>Rates increases will be limited to 3.9% on average after growth annually over the next 10 years.</p> <p>And to 4.5% annually, on average, over the next three years.</p>
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The 3.9% average annual rates increase limit proposed within this strategy compares favourably with the average increase of 4.1% over the last 15 years.



## Debt forecasts and limits

We are forecasting debt across the period of this LTP to peak at about 135% of operating income. The limit to the amount of debt the Council will take on over the period of this strategy is 175% of operating income. This limit provides some contingency for the Council to respond immediately to an unplanned emergency or natural disaster. The cost of servicing the forecast debt, and the assets we build or buy, is built into our forecast rates increases.

IF WE KEEP GOING AS WE ARE

**130%**

FORECAST

**150%**

LIMIT

Council debt will be capped at a maximum of 150% of annual income - the same as a household earning \$50,000 a year having a mortgage of \$75,000.

IF WE INVEST FOR GROWTH

**135%**

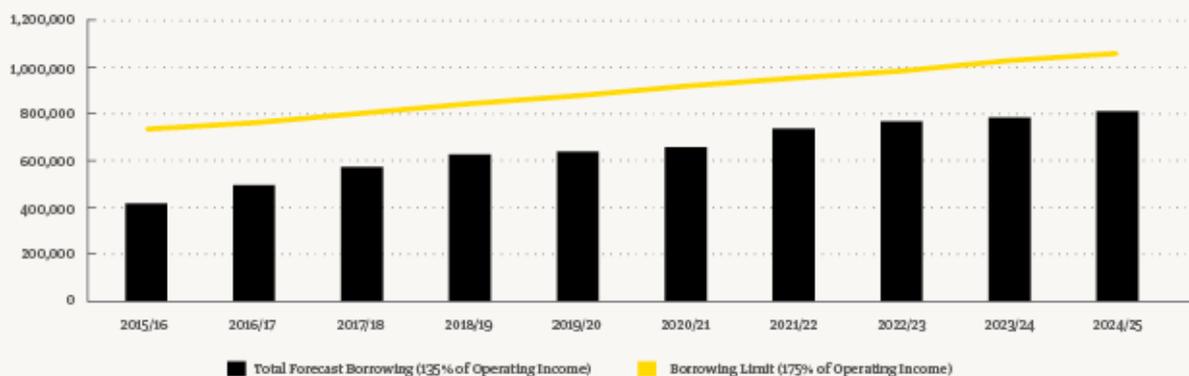
FORECAST

**175%**

LIMIT

Council debt will be capped at a maximum of 175% of annual income - the same as a household earning \$50,000 a year having a mortgage of \$87,500.

Forecast 10 Year Borrowing (\$000) - 2015-25



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## Challenges and opportunities

In the pages that follow we explain how we propose to manage the financial challenges, opportunities and risks the city faces to enable the Council to deliver on this strategy in a financially prudent manner.

### **POPULATION, LAND USE, AND RATING BASE GROWTH**

Since 2010 Wellington City has had slow population growth of 0.7% per year (0.2% below the national average). The 2015 population is estimated at around 203,000 people. It is expected to increase by about 12,000 to around 215,000 by 2024, a modest 0.6% average growth rate per year. Limited changes to land use are forecast, however the Council's Northern Growth Management Plan provides for the conversion of open space to residential development. The capital cost to provide for these changes over the 10 years is forecast at around \$75 million and the associated operating cost about \$9 million.

In the past five years, the ratepayer base has grown at an average rate of just 0.4%. History shows that Council investments can be a catalyst for economic growth. This was evident in the last significant growth spurt, when our rating base growth peaked at around 2.2% per annum in the early 2000s on the back of game-changing projects like Te Papa, Westpac Stadium and development of the waterfront.

This Financial Strategy aims to create the capacity to invest in initiatives that act as a catalyst for growth in the economy and the city's rating base. Our LTP includes a number of key investment projects that we expect will accelerate growth in our ratepayer base, which we conservatively expect to peak at around 1.8%, an average of 1.2% over 10 years. The larger rating base is expected to generate a \$37 million boost for existing ratepayers by 2024/25, a cumulative benefit of more than \$205 million across the 10 years - and this benefit will continue to accumulate in subsequent years.

The financial benefit, or return, that the Council receives from prudent investments can be re-invested in the city. We call this the 'virtuous circle'.

### **A STRATEGIC APPROACH TO ASSET INVESTMENT**

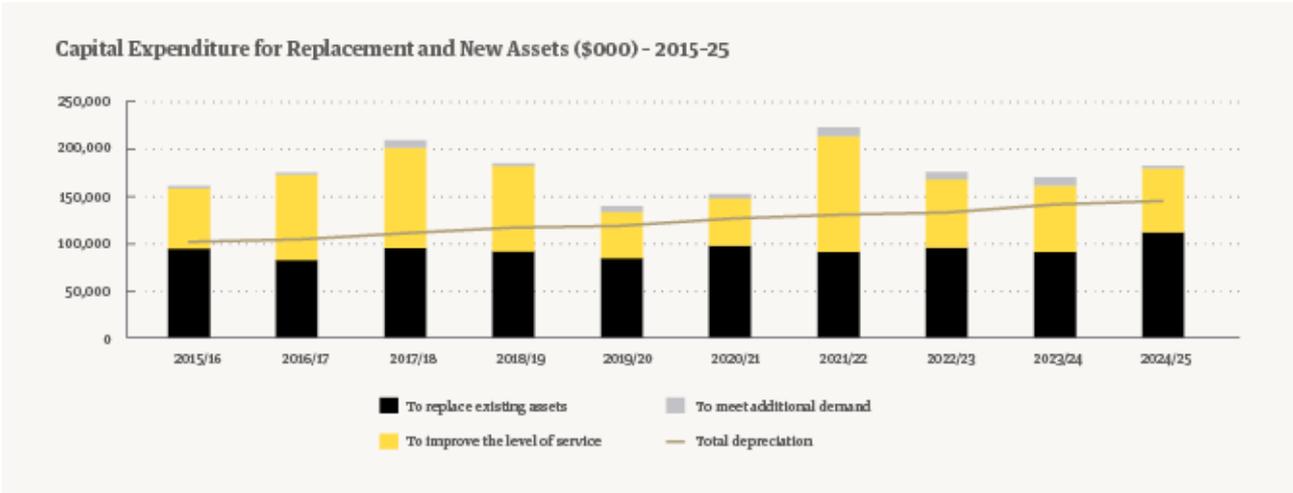
This plan is different in direction and approach to the past. The emphasis is strategic and long-term with a focus on short-term delivery.

The first three years of the plan is detailed and reflects a work programme that is realistically deliverable in the timeframe. A rolling three-year forecast provides flexibility for the Council to respond to unanticipated changes and to consider new opportunities.

We've done a lot of work to better understand the quality of our assets. They are generally in good condition and we have a robust asset renewal programme in place. Continuing to improve the quality of asset information, particularly for our network infrastructure, means we can get more value from our assets without exposing the Council or the community to undue risk. We have used updated information to better plan and make decisions about assets that need renewing over the 10 years of the LTP. Our Infrastructure Strategy expands this timeframe out to 30 years and gives us confidence that we have the financial capacity to maintain our existing infrastructure in the longer term.



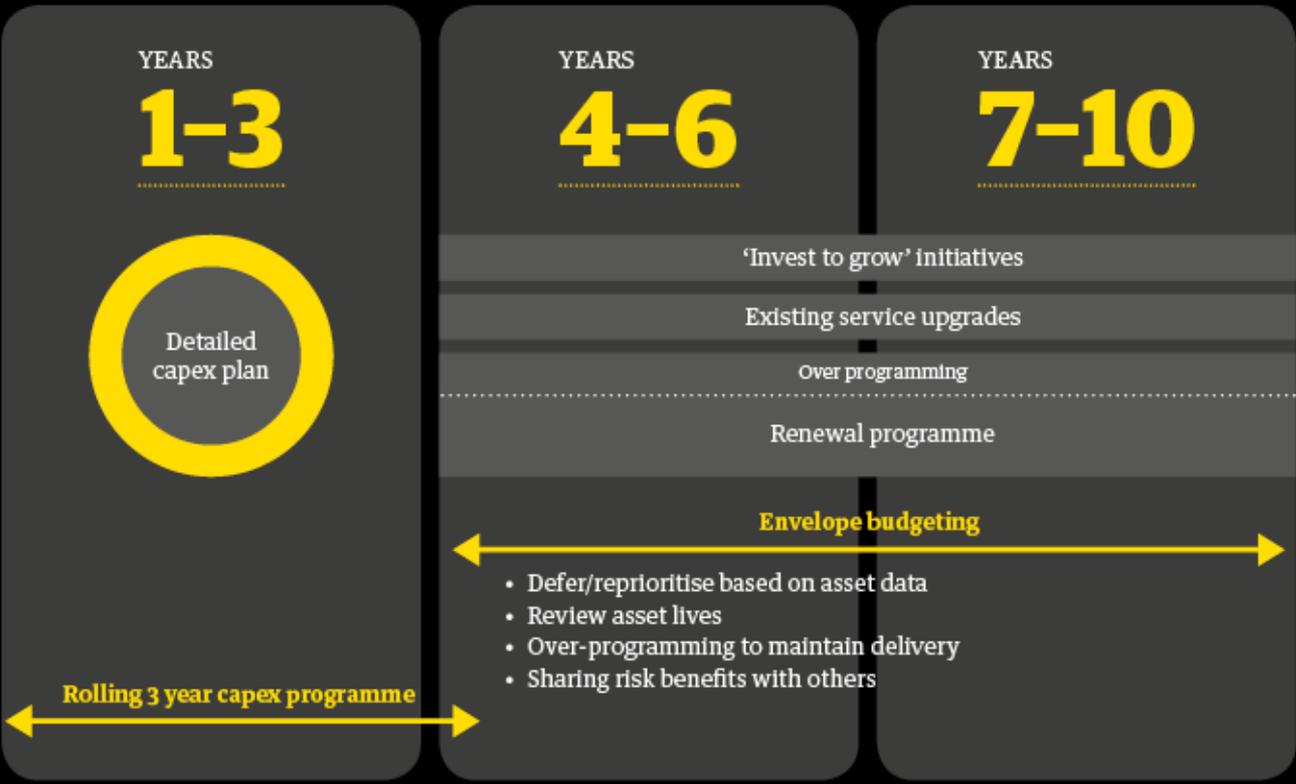
The expected capital costs for the network infrastructure required to maintain existing levels of service, and meet additional demands, is as follows:



Significant projects to upgrade or improve services include expanding the cycling network, building a new library in Johnsonville and improving the resilience of the city’s water supply. We also plan to continue to improve earthquake resilience, including the strengthening of the Town Hall, Central Library and civic offices.

There is less certainty, however, around the details, costing and timing for a range of potential new economic growth initiatives. While these initiatives will all be subject to robust business cases and public consultation, it’s also important that we demonstrate the Council’s capacity to invest in projects such as an international film museum, indoor music arena, extending the airport runway and urban development initiatives.

We have used an ‘envelope budgeting’ approach to reflect the capacity that the Council has within its financial strategy to fund ‘invest to grow’ economic initiatives in years 4 to 10 of the LTP.



## MANAGING INVESTMENT EXPECTATIONS

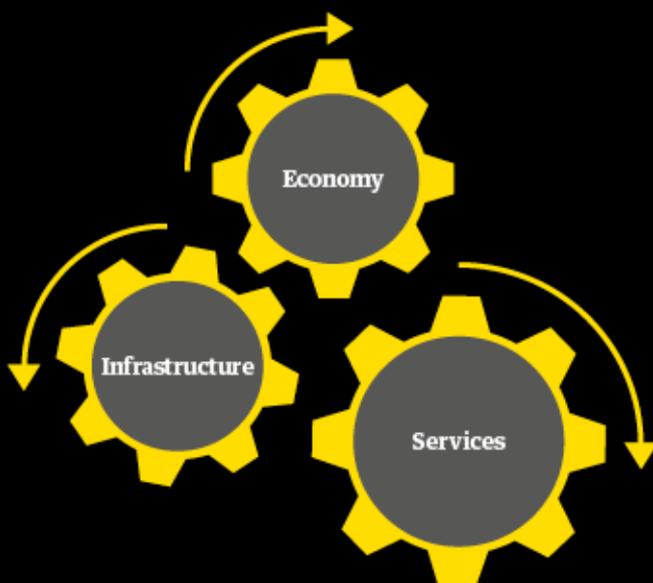
Annual surveys and benchmarking data show that service levels for social, recreation and community infrastructure are high in Wellington. However, over the last 10 years there has been an expectation in the community that the Council will continue to increase service levels in these areas.

It is also recognised that during this period investment to support the broader Wellington economy and the city's rating base has been low.

This Financial Strategy recognises the importance of investment in the economy to grow the city and increase the rating base to provide the financial capacity to continue to invest in our infrastructure. In turn, this provides the resources for the Council to deliver on recreation, social and cultural services, amenities and events. The risks of not doing so are summarised in the diagram below.

## CONTINUING TO DO THE BASICS WELL

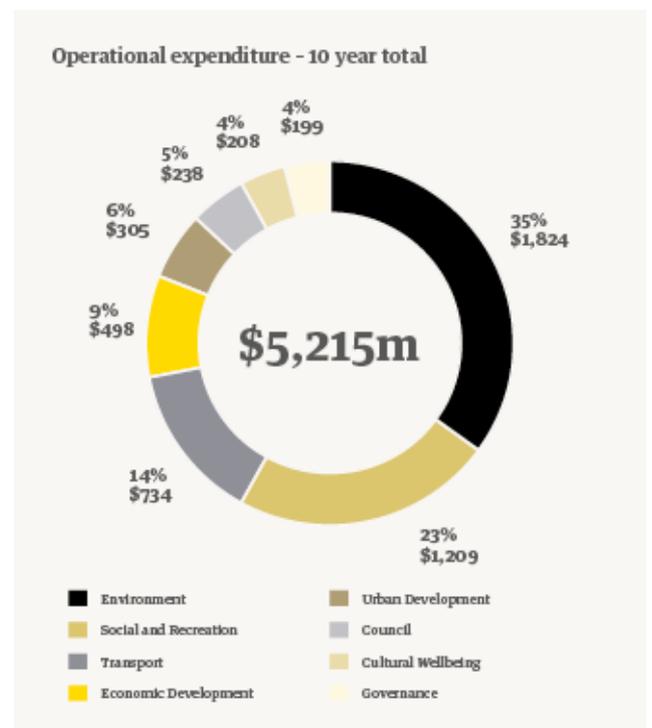
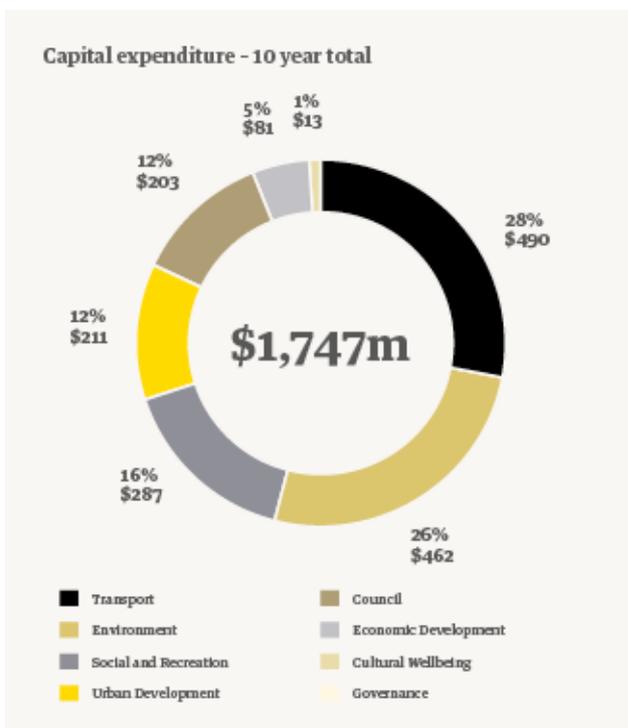
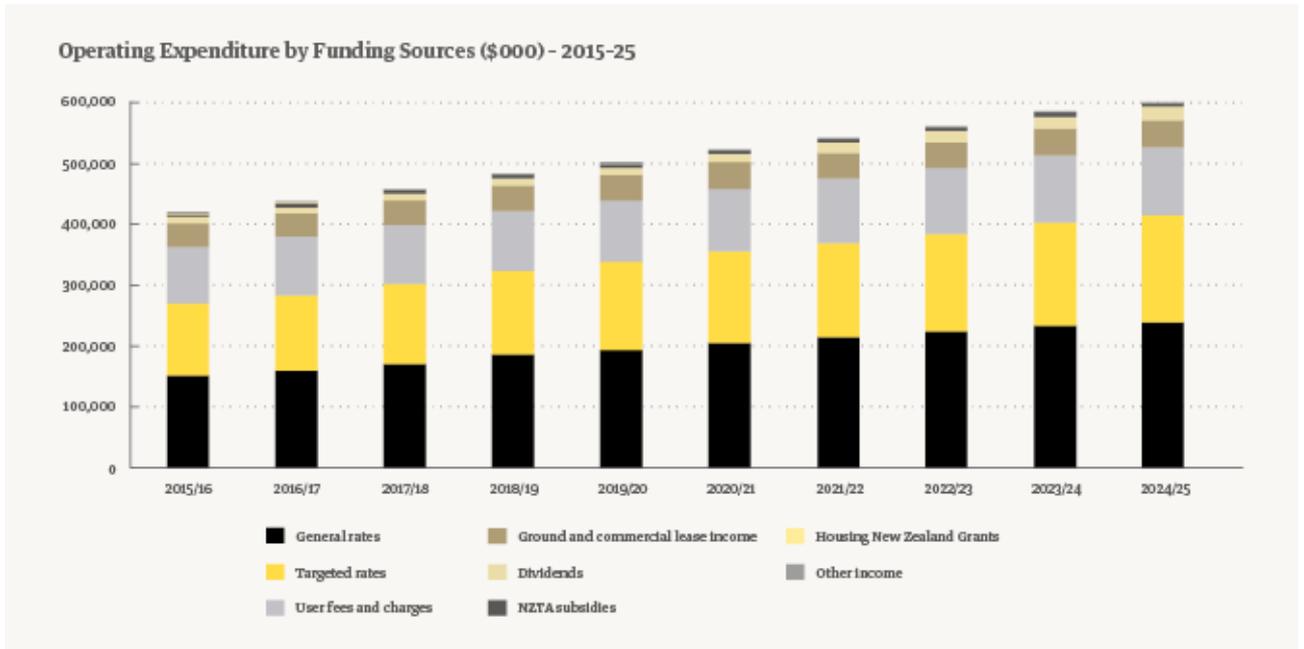
There is a risk that, in investing to improve the economic resilience of the city, we could compromise the delivery of core services. We will manage this risk by providing capacity within our rates and debt limits to ensure that we can continue to provide the services we do now. We will increase the emphasis on improving utilisation of the assets and services we currently provide. To ensure we maintain high levels of service delivery we will continuously drive operational efficiencies within the organisation. We will also focus on shared services and improved customer service - for example the merging of CCOs to create the Wellington Regional Economic Development Agency, shared IT infrastructure and a range of procurement and contract-related initiatives.



## Risks:

- 1** Economy shrinks
- 2** Insufficient growth to drive GDP, jobs and prosperity
- 3** Shrinking rating base
- 4** Cuts to services

Our plan is to continue to deliver the full range of services we currently offer.



The graphs above show that in our Financial Strategy we will continue to fund and invest in the full range of services we currently provide.

## **MAINTAINING AN AFFORDABLE AND PRUDENT BALANCE BETWEEN SERVICE, RATES AND DEBT**

Our Financial Strategy sets a framework for investment decision-making by:

- Setting maximum limits for rates and debt supported by funding policies that will ensure rates remain affordable
- Linking to a clear set of funding principles as contained in the Council's Revenue and Financing Policy
- Using quality asset data to drive infrastructure asset renewals and upgrades
- Requiring the Council to be specific about the costs, delivery timeline and impact on service levels of its investment decisions in the first three years of its plan
- Being transparent about the assumptions used in longer-term (years four to 10) initiatives for which full business cases are yet to completed, and providing flexibility for investment intentions to be modified, depending on these cases and other external factors.

There is a risk that in attempting to maintain or increase service levels the Council could compromise the funding principles that underpin its robust and prudent financial management. This risk is mitigated by continuing to make provision in our Financial Strategy to:

- Maintain a balanced budget. The Council will raise sufficient income each year to fund the costs of providing services consumed by the city that year. No profit is budgeted or rated for. Note that our financial statements will show a surplus because revenue received for capital expenditure is required to be shown as income.
- Continue to fully fund depreciation on assets that the Council will be required to renew when they reach the end of their useful life. This is needed so we can pay for their replacement in the future.
- Debt-fund to maintain intergenerational equity. Debt is used to initially fund assets. This debt is repaid over the life of the asset through depreciation funding. This ensures that ratepayers only pay the cost of a service when they benefit from a service.
- Enable asset management planning to inform and complement financial planning. This considers the condition and deterioration of assets to estimate their useful life and the costs of their replacement and repair. It balances risk and the timing of replacement, as well as assessing the capacity required for growth
- Manage investments and equity securities. The primary objective of holding and managing investments and equity securities is to optimise the return on the overall investment portfolio. Investments are also held for the purpose of achieving the Council's strategic objectives and to provide diversity to the Council's revenue sources. For non-strategic investments, the target return for investment is to achieve an average return over time greater than the Council's long term cost of funds, currently forecast at 6.3% per year. The Council's investment policy sets out the mix of investments, strategies and other policy considerations in greater detail.
- Operate a policy on securities. To be able to borrow money we need to offer security to the lenders. Security is a guarantee that can be redeemed in case of default, like a house as mortgage security. Our borrowings are secured by creating a charge over our rates revenue. This security relates to any borrowing and to the performance of any associated obligations to borrowing. As a shareholder in, and borrower from, the New Zealand Local Government Funding Agency we also use rates revenue as security over all borrowing from the agency.
- Implement our Insurance Strategy which balances externally-procured insurance, internal 'self-insurance', and risk retention and transfer. Our insurance policy aims to achieve an adequate level of insurance with a balance of insurers from local and international markets. Our insurance is mainly for material damage and business interruption. Material damage covers catastrophic losses only, with an internal \$10 million insurance reserve fund (being increased over time) to cover excesses and day-to-day working losses. The insurance coverage includes natural disasters to a limit of liability of \$400 million material damage (buildings, infrastructural assets and contents) and business interruption combined over an asset portfolio of \$4.658 billion (2014/15). Our cover for earthquakes and other natural disasters is informed by Geological and Nuclear Sciences (GNS) on potential losses caused by these events.

This strategy also allows the Council to maintain a reasonable balance between services, rates and debt. Increases in service levels will be generally restricted to those services that are expected to provide an increase in the rating base, reducing the impact on existing ratepayers. Where debt funding is required to spread the cost of an investment across a number of years, we will focus on those investments that provide a return to reduce the impost on ratepayers.

## STRATEGIC PARTNERING

We will develop a more focused and strategic approach to partnering with central government and the private sector. To reflect this we have assumed that in addition to the \$1.7 billion of asset investment proposed in the 2015-25 LTP, some investments to which we contribute will be undertaken by other organisations. To reflect this we have assumed that as part of our economic growth funding envelope we will provide sufficient grant funding to service \$90 million of investment by an external party, but transfer the capital risk and not hold the associated debt on the Council's balance sheet.

We will also continue to investigate the philosophy of 'earn/back' with central government. When ratepayer/funded Council investment results in improved economic performance of the city and a higher tax take, we believe the Council should receive a portion of the financial benefit accrued by the Government.

## RATES AFFORDABILITY

In developing our financial strategy we have been very conscious that our rates are affordable. Our strategy is underpinned by an assumption that affordability will be maintained.

Wellington residents have significantly higher incomes than the national average.

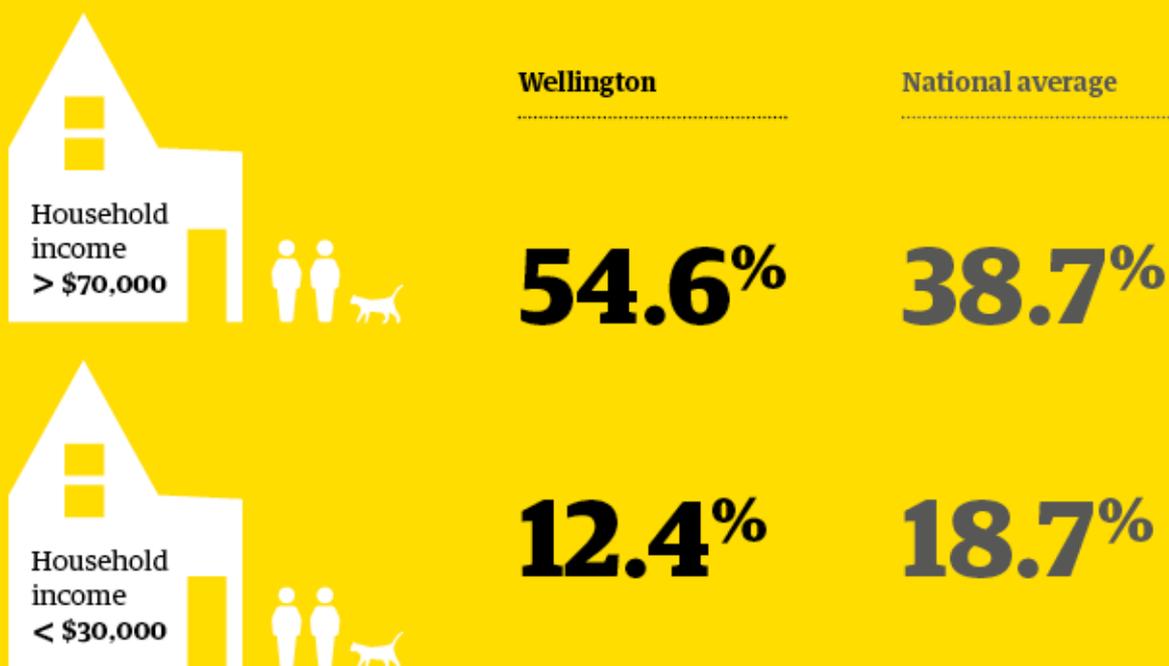
We know there are small pockets of deprivation in Wellington City. We will continue to manage this factor by providing rates remission and rates postponement policies. The central government/funded rates rebate scheme can also be used in hardship cases that result in difficulty paying rates.

Residents fund about 55% of total rates. As Wellingtonians have significantly higher average incomes than the national average, our average rates equates to about 2.7% of average Wellington household income. Throughout the period of this LTP we intend to keep this below 3.5%, significantly lower than the 5% affordability threshold identified in the 2007 Local Government Rates Enquiry.

Commercial ratepayers fund 45% of total rates. Generally rates are a relatively small proportion of total business income, varying between 0.1% and 0.4%, depending on the sector.

Factors such as increased insurance and earthquake resilience costs are putting additional pressure on the likes of the not-for-profit sector and heritage property owners. While many not-for-profit organisations already receive lower rates under legislation, the Council is cognisant of the pressures on owners of earthquake-prone buildings and has initiated a rates remission policy to help.

## Wellington residents have significantly higher incomes than the national average



## EARTHQUAKE AND WEATHER/TIGHTNESS RISK

The Council's 2012 Financial Strategy highlighted earthquakes, weather/tightness and increasing insurance costs as key risks which warranted a conservative fiscal approach. The Council's own financial exposure to these risks is now better understood - all are catered for within this strategy and specifically budgeted for within the 2015-25 LTP. We have made provision to strengthen the Town Hall, the Central Library and Civic Square administration buildings. We will fully repay the borrowing taken out to cover the Council's contribution to leaky building costs over the period of this LTP and will utilise recent reductions in insurance premiums to replenish our self/insurance reserves and increase our level of cover.

## DELIVERING ON THE STRATEGY

This Financial Strategy supports and enables an ambitious plan to invest in the city. We have been conservative in our growth assumptions, but there is still a risk that the investment projects we propose will not deliver the economic and rating base increases we are forecasting. We will manage this risk by conducting detailed business cases for each investment to assess their cost/effectiveness and economic contribution. We will consult with the community before deciding whether to proceed. We will also measure and report on our performance against this strategy annually and review the strategy every three years.

Our view is that there is significantly greater risk in not investing to support the city's economy, making it more difficult for us to compete nationally and internationally, a loss of businesses, jobs, cuts in services and higher long/term rates for the ratepayers that are left behind.

'CURRENT SERVICE' STRATEGY	'INVEST TO GROW' STRATEGY
No/or very limited new offering	New offerings to reinvigorate the city and its economy
Renewing assets based on a depreciation profile rather than asset quality	Greater ability to reprioritise capex renewals and upgrades based on improved asset information
Limited ability to respond to opportunities	Enhanced ability to respond to opportunities
Limited ability to respond to growth, economy and ratepayer expectations	'Envelope' budgeting to provide for economic
Minor reprioritisation of capex renewals (only) based on improved asset information	Flexibility to adjust 'envelope' in response to growth, economy and ratepayer expectations
No opportunity to grow business and community confidence through investment in the city	Opportunity to significantly grow business and community confidence
Growth in rating base will be low - fluctuating in response to economy - limited ability to influence	Elevated growth in rating base support long/term sustainability and vibrancy of the city (\$200 million cumulative direct ratepayer benefit over 10 years plus city/wide benefit)
Potential cuts to services	
Slightly lower rates increases in the short/term (4.1% over 3 years, 3.1% over 10 years)	Slightly higher rates increases in the short/ medium term (4.5% over the first 3 years of the plan, average of 3.9% over the full 10 years)
Lower investment = lower borrowing levels, but no improvement to ratepayer equity in the city	More investment = higher borrowing levels, but maintain ratepayer equity in the city
Risk of stagnation	Opportunity for the city to grow and flourish

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## Infrastructure strategy

### Part 1: Strategy overview

#### STRATEGY INTRODUCTION

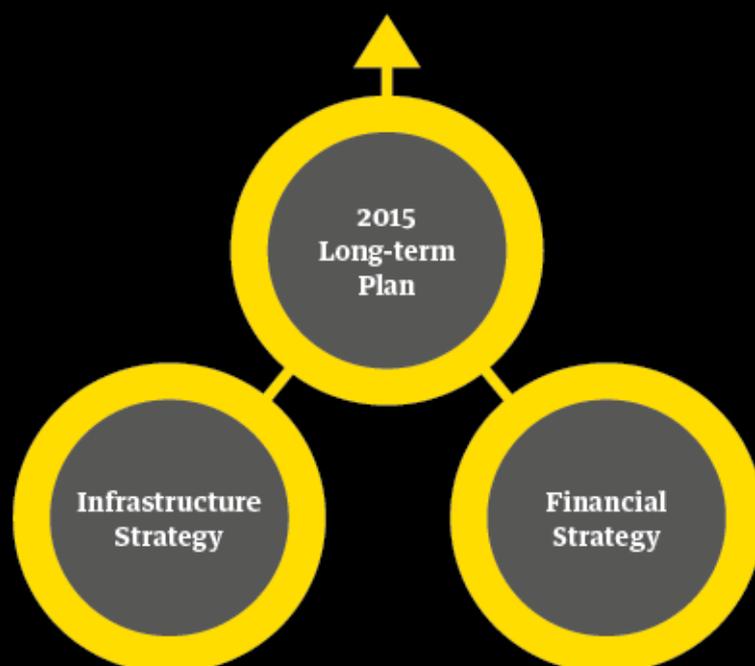
This strategy explains how we will deliver infrastructure services to meet the needs of current and future generations. It aims to achieve a balanced investment programme, which keeps existing infrastructure in good condition as well as allowing for investment in new infrastructure to meet expected growth. The strategy covers a period of 30 years. It includes an overview of major matters and trends that will have an impact on our infrastructure over this period, how we propose to respond to these, and the risks and costs associated with our investment in infrastructure over that time. All with the primary imperative of providing public value.

#### STRATEGY CONTEXT

This Infrastructure strategy has been developed in the following context.

Wellington has experienced modest growth over recent years (typically 1 percent per annum). The Long-term Plan aims to invest in projects that will accelerate the city's economic growth. The Urban Growth Plan 2014-2043 expects the population to increase from the current 200,000 to 250,000 within the 30-year period, with the majority of this happening along a defined growth spine. While there will be some changes in the demographics of the city, ageing of the population will be considerably less than in other parts of the country.

## Our City Vision (2040)



With this in mind, and as our city relies heavily on infrastructure and the services delivered through these assets, the focus of this strategy will be to maximise the benefits and value of investments already made in the past and into the future.

Collectively, the city has \$6.5 billion invested in physical assets - everything from water, roads and footpaths (network assets) through to libraries and community halls (social assets). We spend around \$94 million per year to maintain and renew these assets. Over the first third of this 30-year infrastructure strategy (30IS), we will be investing in additional infrastructure to meet modest demand from growth and fill gaps in our service offering, particularly where these investments support the Council’s economic development goals.

This strategy provides a clear “line of sight” from our vision for the city through to the 2015 Long-term Plan and the two foundation strategies - infrastructure and financial - that drive that plan.

The strategy will have the following imperatives:

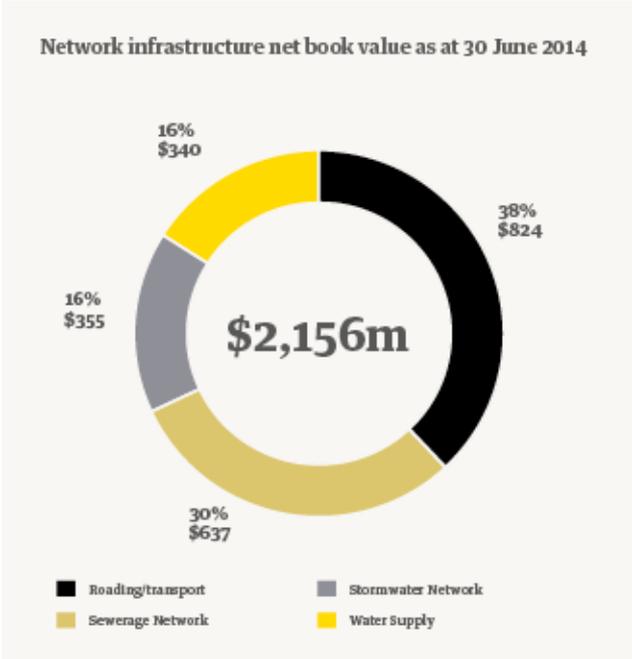
- Continued development of evidenced-based decision-making tools for any infrastructure investment proposal
- A continued programme to improve knowledge of assets’ condition, utilisation and performance
- A focus on renewals to maintain existing levels of service, within an agreed risk environment - including a focus on increasing the resilience in all networks
- Integration of planning tools to direct new growth where possible to areas with existing surplus capacity
- Incentives to support increasing the use of existing community facilities
- Integration of upgrade works with renewals to reduce cost and disruption.

## STRATEGY SCOPE

This strategy recognises two groups of assets - network infrastructure and social infrastructure. This strategy focusses on these infrastructure assets. The Council also owns additional assets and delivers services that are not reliant on assets; these are not covered in this strategy. Our network and social infrastructure are made up of the below services:

NETWORK INFRASTRUCTURE	SOCIAL INFRASTRUCTURE
Roads/transport	Libraries
Three Waters;	Community services
Water supply	Community Health services
Wastewater	Parks and open spaces
Stormwater inc, Flood Protection	Corporate property
	City Housing
	Recreation Services

**Network infrastructure net book value as at 30 June 2014**



Note: Detailed information of the make-up of individual asset groups is available in relevant service plans covering the above network and social infrastructure services (see the brief appendix at the end of this document for direction to these documents).

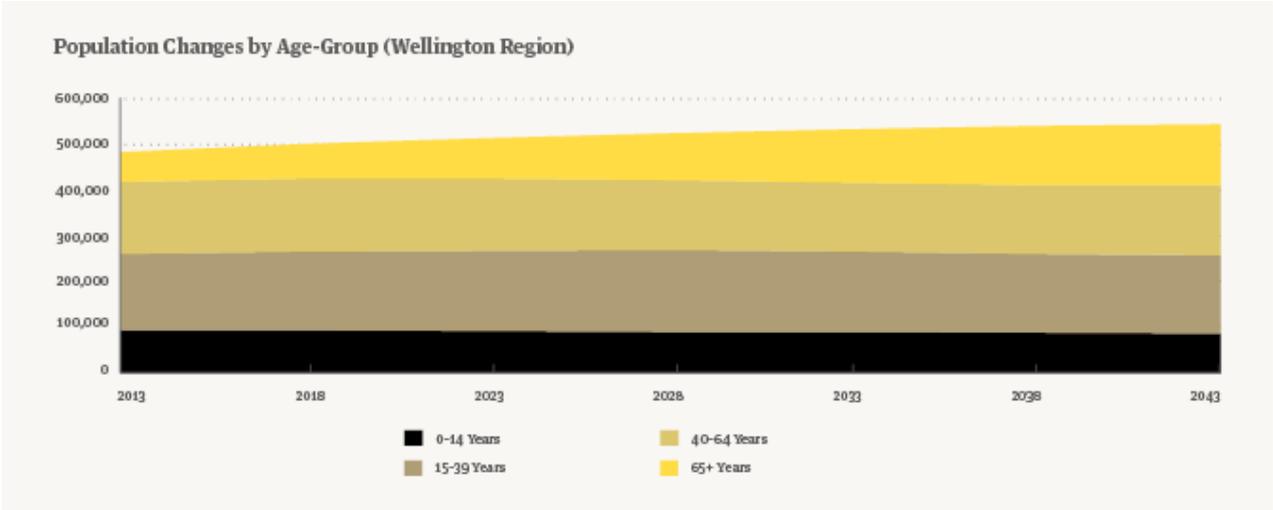
**MAJOR ISSUES INFLUENCING OUR STRATEGY**

**Population growth and demographics**

We expect that the city will experience modest population growth over the next 30 years, similar to current and historic trends for the city. Beyond this period, population in New Zealand is expected to stabilise; Wellington (both the region and the city) is not expected to be materially different. Planning implications are being considered as part of the longer-term view of our long-life assets as part of any deliberations for investment.

The Council is considering investing in the city to promote economic growth. While we do not expect that growth in itself will place unpredictable demand on infrastructure services in the future, any significant population growth, will increase demand on services and infrastructure. We will regularly update service levels through annual plans in response to population growth beyond those currently forecast.

Changing demographic profile of the city over time:



## **Resilience and sustainability**

The Council has a responsibility to manage its assets and services in a way that provides resilience and protection for the city. Wellington is particularly exposed to the risk of natural disasters. The main concern is earthquakes but we are also at risk of severe weather events (such as big storms), as well as the longer-term effects of climate change (for example, sea-level rises).

A number of programmes looking at quantifying and measuring the impact of climate change on our infrastructure are under way, the additional data and information from these studies will inform future versions of the infrastructure strategy.

These initiatives support an ongoing programme of capital renewals that provide for improved resilience in our networks with a careful selection of material types and engineering design techniques. Critical assets have been treated with priority. This programme has been operating for more than a decade and will continue through the 2015 Long-term Plan (LTP), the 2015/45 30IS and beyond.

## **Community demand and affordability**

Community expectations of Council services are continually increasing, while tolerance for cost increases, disruptions, and service failure is decreasing.

The Council will have an ongoing dialogue with the community through the annual and long-term plans about the levels of service it provides. This is to make sure it meets expectations, and any changes to service levels will take into account factors such as cost, the distribution of benefits and who pays.

Alongside current growth and demand considerations, asset capacity and utilisation (discussed below) are being carefully analysed against future demand. One of the key programmes of work is to understand where prior investments in infrastructure are underutilised in the current environment. District Plan planning rules and other key constructs (such as urban design) are being considered carefully as part of this analysis. Affordability, current and future, is another.

## **Regulatory requirements**

Changing statutory requirements and national standards set by central government (for example, health and safety) can impact on how and to what level we deliver services. We will work with the government on changes to national standards that impact our infrastructure services and implement them in accordance with legislative requirements.

## **OVERALL APPROACH**

We will take a principled approach to how we manage our infrastructure portfolio. The following principles will guide our decision-making. In the last three years, and as a result of a number of decisions the Council resolved in the 2012 LTP, the Council has developed and implemented a vigorous data collection programme across all its infrastructure assets. The result is a specialised strategic asset management framework that uses analytics and evidenced-based decision-making tools to inform short, medium and long-term infrastructure investment decisions on behalf of the community. Experts from new disciplines (such as statisticians, mathematicians and actuaries) have been included alongside the more traditional engineering and financial disciplines to build robust forecasting models to inform the 2015 Long-term Plan and the 2015/45 30IS in the “big data” environments this entails. One of the key considerations has been a refocus on the “whole of life” costs and benefits of an asset and the services these provide.

Critical to these considerations has been the reconciliation of the depreciation expense (funding) against the forecast renewals (expense) across the whole of life of the Council’s assets (although a 30-year timeframe is published in this strategy, the analytics are span 100 years). The financial principles that support this approach are clearly described in the Financial Strategy. The following are key general considerations that have supported this new approach and informed this strategy.

### **Fit for purpose**

We will provide quality infrastructure that can deliver services in a manner that meets community expectations now and into the future; we will maintain and renew infrastructure and facilities in accordance with best practice.

### **Asset utilisation**

We will improve our understanding of the capacity and utilisation of our assets. Where asset networks are under-utilised, we will develop strategies to increase utilisation to ensure maximum benefit is derived from our investment.

### **Strategic long-term view**

We will continually scrutinise our asset performance with an eye on service outcomes and investment value, with a distinct focus on whole-of-life costs and long-term affordability. We will consider the long-term implications of investment in infrastructure and make sure the level of contribution from each generation is set at a fair and reasonable level.

### **Improved knowledge and data**

We will continually increase the level of understanding of our assets to ensure maintenance and renewal programmes are optimally set. Quality information and data will enable us to accurately link the relationships between costs, benefits, and risks.

### **Coordinated**

We will ensure infrastructure decisions are coordinated across the Council, its subsidiaries, other agencies and local councils in the region.

### **Resilient**

We will work to ensure our infrastructure can deal with significant disruption as a result of natural hazards. We have a good understanding of the seismic risk to Council assets from earthquakes. We will continue to utilise technological advances to increase the resilience of assets we renew, and ensure the risk of financial loss resulting from earthquake events is prudently managed and reduced over time. We will increase our understanding of the impact of climate change on our infrastructure networks to improve management of our assets and guide future infrastructure investment.

### **Managed risk**

We will comply with all legislation and national standards that apply to infrastructure and service provision.

## **OUR ASSUMPTIONS**

Underlying this strategy is a number of key assumptions. These assumptions have a specific and important influence on the picture this strategy builds for Wellington City and how the Council addresses any challenges and opportunities it highlights. These assumptions similarly inform the Financial Strategy. This strategy is based on the following assumptions.

### **Investment**

Investment in civic infrastructure will be set at a level that retains existing levels of service and can meet demand from growth. The funding models that support the longer-term view of our infrastructure replacement and upgrade profiles demonstrate this is affordable over the next 30 years and beyond.

### **Population growth**

The population increase through to 2043 is expected to be 246,693 (a movement of 46,273). Should economic growth be achieved above historic norms, population growth is likely to exceed this expected level. Population, if it follows current long-term projections for New Zealand generally, will likely remain static for the next 30 to 50 years.

### **Community demand**

Community demand for improved social infrastructure services will generally only be made where there is a “gap” in our service offering, or where increasing service levels would retain our competitive advantage in that service in comparison to other cities.

### **National standards**

Although the statutory environment for local government will evolve, the broad requirements for infrastructure will remain static.

### **Economic**

The city’s economic performance (in terms of performance as measured by GDP) will move from just below the national average to consistently above the average over the period of this strategy.

### **Forecasting assumptions**

Over the past three years, there has been a substantial data collection programme across all core infrastructure assets (transport, water, wastewater, stormwater). This information has been used to determine asset value, asset life, and the forecast renewal programmes that are captured in the expenditure graphs, illustrated on the following pages. Our forecasting assumptions are based on deterministic modelling on available information on asset quantity, condition, life, and value to inform our depreciation and renewal programme.

This information tells us that our short-term asset renewal requirements are generally lower than we have budgeted for our renewals in the past.

We have maintained a prudent approach in continuing to fully fund depreciation where it is anticipated that the Council will be responsible for renewing the asset in the future. Also, we have mitigated the risk that there is a need for renewal expenditure over and above that determined by our model (for example to respond to urgent / emergency situations).

We have achieved this by additional capital funding capacity in years 2-10 of our LTP. This amount is equal to the difference between our renewal expenditure and depreciation over the first 3 years of our LTP.

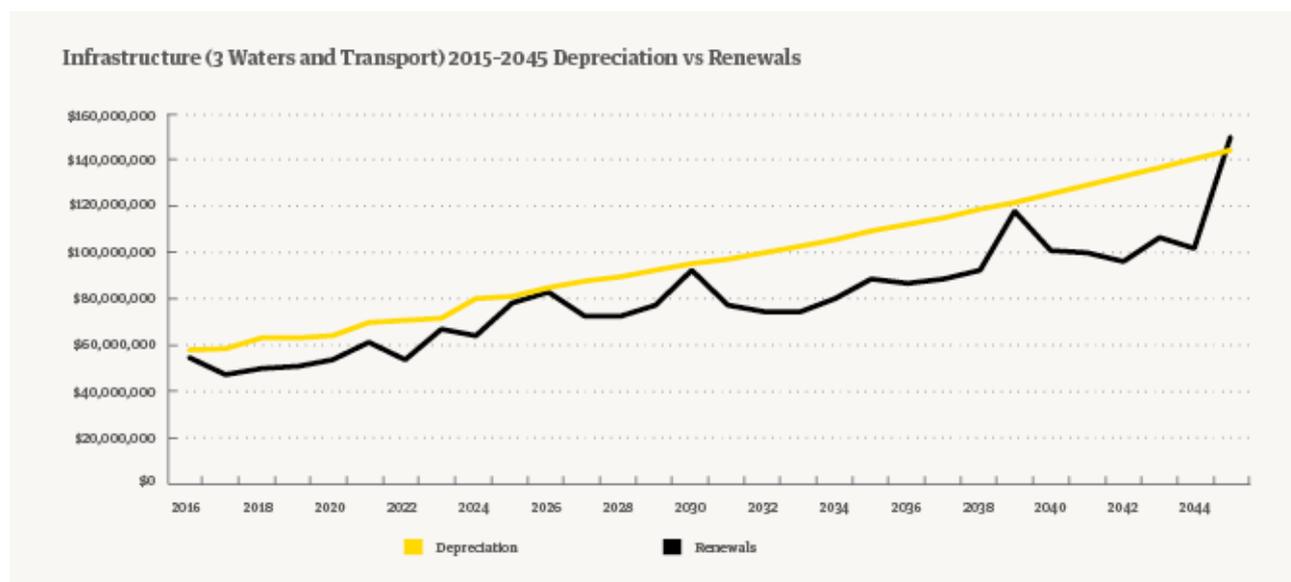
## Part 2: Our infrastructure services

### NETWORK INFRASTRUCTURE (THREE WATERS AND TRANSPORT)

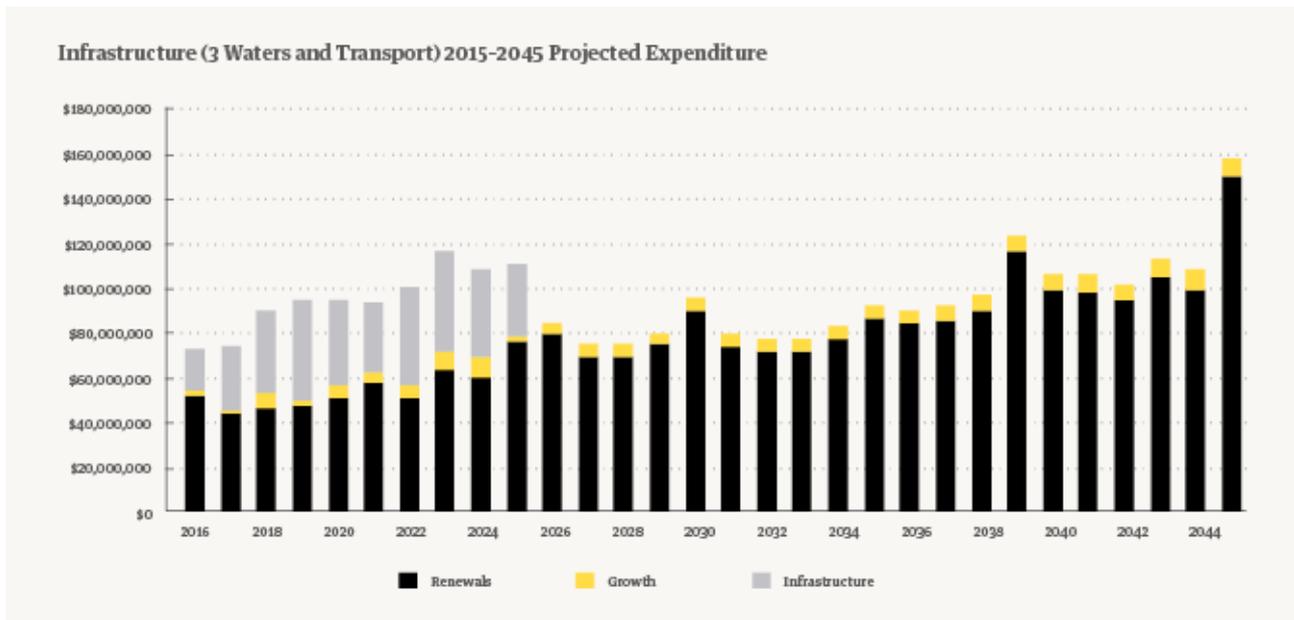
#### Infrastructure (three waters (Water supply, Wastewater, Stormwater) and transport) 2015-45 Financials

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	87,773,914	91,624,491	97,189,358	846,786,896	1,123,374,659	757,459,441	878,103,092	1,017,962,149	1,180,097,128	4,956,996,468
Stewardship [depreciation]	54,231,816	54,620,863	59,176,480	478,739,448	646,768,607	435,481,675	504,842,615	585,250,955	678,466,260	2,850,810,112
Income	(6,689,118)	(7,451,623)	(7,819,127)	(57,264,416)	(79,224,285)	(49,454,826)	(57,331,698)	(66,463,151)	(77,049,008)	(329,522,968)
<b>Total Operating Projects</b>	<b>135,316,611</b>	<b>138,793,732</b>	<b>148,546,710</b>	<b>1,268,261,927</b>	<b>1,690,918,981</b>	<b>1,143,486,289</b>	<b>1,325,614,009</b>	<b>1,536,749,953</b>	<b>1,781,514,380</b>	<b>7,478,283,612</b>
Capital Project Renewals	51,338,878	43,261,266	46,182,449	405,694,114	546,476,707	383,089,154	379,907,871	473,787,414	545,324,707	2,328,585,853
Capital Project Upgrades	18,977,948	30,102,199	36,809,524	272,691,097	358,580,768	-	-	-	-	358,580,768
Capital Projects Growth	2,521,880	926,060	6,383,039	38,819,428	48,650,407	26,604,037	30,841,370	35,753,601	41,448,222	183,297,637
<b>Total Capital Projects</b>	<b>72,838,705</b>	<b>74,289,525</b>	<b>89,375,012</b>	<b>717,204,639</b>	<b>953,707,882</b>	<b>409,693,191</b>	<b>410,749,241</b>	<b>509,541,015</b>	<b>586,772,929</b>	<b>2,870,464,258</b>
	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>208,155,316</b>	<b>213,083,257</b>	<b>237,921,722</b>	<b>1,985,466,567</b>	<b>2,644,626,863</b>	<b>1,553,179,480</b>	<b>1,736,363,250</b>	<b>2,046,290,968</b>	<b>2,368,287,309</b>	<b>10,348,747,870</b>

The above table shows the projected operational and capital expenditure for 30 years for three waters and transport activity. This is followed by the projected expenditure in each subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of three waters and transport activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the next 30 years. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## TRANSPORT

### Summary

Our transport service is focussed on delivering safe, effective, and efficient movement of people and goods. This includes carriageways for private travel, public transport, and cycling and walking. As with all our core infrastructure services, we have a large inventory of physical assets and therefore a large funding requirement for operation, renewal, and development. The city has a sophisticated and complex transport network with a corresponding maturity in its operational and capital management programmes for delivering this network and service.

### Transport infrastructure profile and level of service

Our transport infrastructure is in good condition, our levels of service are currently meeting the needs of the city, and these service levels are sustainable and affordable. Asset condition is assessed annually and whole-of-life investment decisions are made with regard to the information provided by these surveys. Our current operations and renewal programmes are adequate to sustain this level of service over the short and medium-term (a 10-30 year horizon). Details of levels of service can be found within the Transport Service Plan (refer appendix for details). The current levels of service are not expected to materially change. There will, however, be a focus from time to time on the types of initiatives outlined in that plan to meet shifting priorities and demands in the future as circumstances dictate.

### Growth and demand

Growth and demand in the transport service is very closely aligned with population and economic growth, which are expected to moderately increase in the future. Demand is affected by behavioural changes (such as parents using cars to deliver their children to schools, or people choosing to use public transport versus drive a car, walk or cycle). Consequently, there are a number of capacity and utilisation projects under way to improve our understanding of the behaviour and use of the transportation network by its commuters. This includes projects that provide real-time traffic data and transport data by “mode”. This is a key capability. It also forms the substantive backbone for the “sensing city” initiative that has been adopted by the Council. Growth in capital expenditure requirements are primarily in the areas of resilience, network infrastructure improvements identified in existing local and regional transport plans, and network improvements needed to unlock economic growth. This growth is catered for in the current capital development programmes of the service.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Increasing congestion around the city, especially at peak times along major routes.	Close integration of the Council's network with planned investment by NZTA, particularly the Ngauranga to Airport corridor.  Encourage change in mode choice.
Increased public expectations for multi-modal transport options.	No new investment in PT and active modes.  One-off investment in PT and active modes.  Continuous investment in PT and active modes.
Competing demands for road space by different modes on very constrained road corridors.	Prioritisation of some routes for specific transport modes.  Acquisition of wider road corridor on key routes.
Sea level rise impact on coastal roads.	Improve understanding of risk and timing.
Network resilience to earthquake risk.	Continuous network resilience improvements, prioritised on strategic routes.

### Most likely scenario for service

Increased service levels are proposed in the continuous investment of improved provision of multi-modal infrastructure, with the inclusion of \$74 million of capital investment over the next 10 years. The level of service in roading and streetscapes will be gradually increased with the expenditure of \$112 million in urban development over the next 10 years. The operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term.

### Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy the Council will consider the following as part of this review.

The development and maintenance of an increasingly resilient network.

Maintaining sufficient flexibility in the network to be able to respond to changing transport mode choices.

Integrating the Council's network with NZTA investments, particularly the Ngauranga to Airport, Transmission Gully and Petone to Grenada projects.

### Financial commentary

The forecasts we have tell us that spending on the network over the next 100 years is relatively predictable and stable, and that forecasted actual costs are less than what is forecast in the current LTP. Most of the capital spending will be on roads, with a relatively high proportion of that spending going towards upgrades.

### Infrastructure and financial profiles

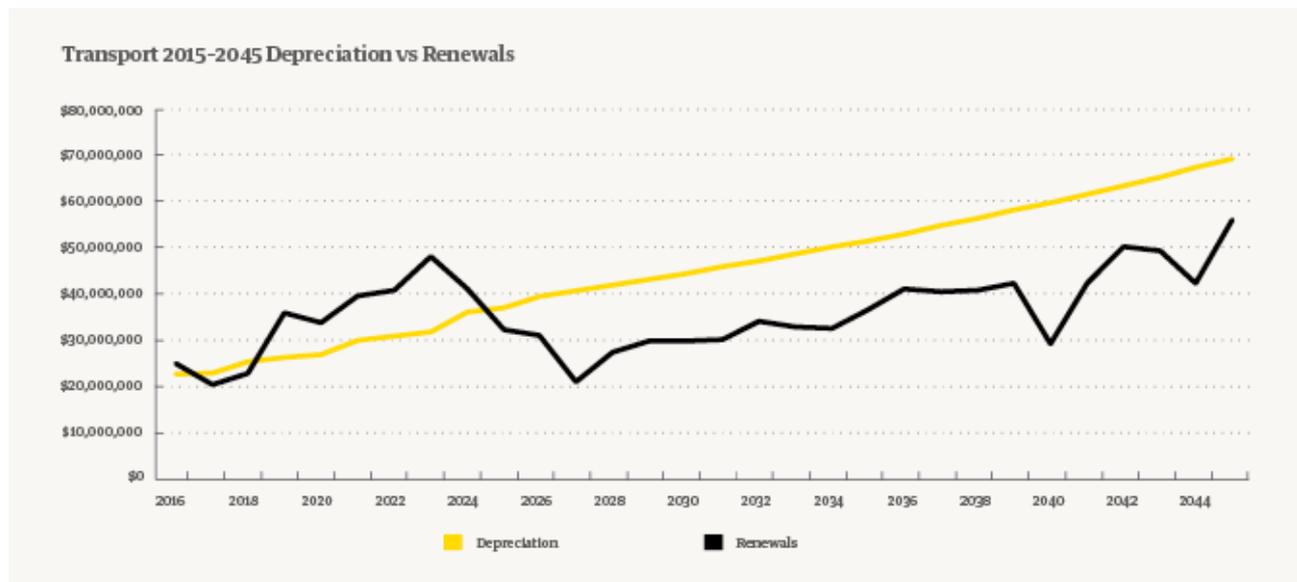
With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can now have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

**Scenario/service cost**

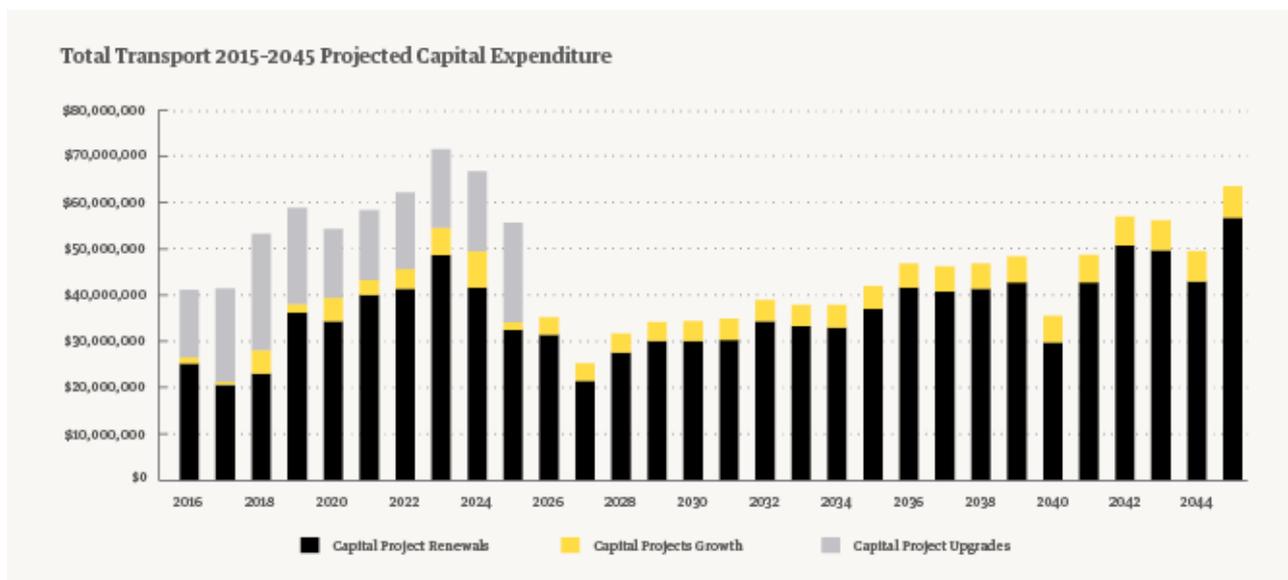
**Transport 2015-45**

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	24,514,761	25,361,382	27,064,028	220,243,950	297,184,121	192,095,565	222,691,409	258,160,377	299,278,632	1,269,410,103
Stewardship [depreciation]	22,667,346	23,045,480	25,309,635	218,742,335	289,764,796	209,656,194	243,048,990	281,760,393	326,637,519	1,350,867,892
Income	(6,030,018)	(6,780,000)	(7,134,322)	(52,024,569)	(71,968,908)	(45,064,873)	(52,242,539)	(60,563,421)	(70,209,604)	(300,049,346)
<b>Total Operating Projects</b>	<b>41,152,090</b>	<b>41,626,862</b>	<b>45,239,341</b>	<b>386,961,716</b>	<b>514,980,009</b>	<b>356,686,886</b>	<b>413,497,860</b>	<b>479,357,348</b>	<b>555,706,546</b>	<b>2,320,228,650</b>
Capital Project Renewals	24,936,946	20,448,842	22,858,398	272,843,726	341,087,912	139,813,817	166,852,197	195,177,025	241,221,632	1,084,152,583
Capital Project Upgrades	14,435,237	20,558,652	24,874,777	121,633,928	181,502,595					181,502,595
Capital Projects Growth	1,579,516	-	5,260,176	30,037,633	36,877,326	20,166,033	23,377,960	27,101,462	31,418,023	138,940,804
<b>Total Capital Projects</b>	<b>40,951,699</b>	<b>41,007,495</b>	<b>52,993,351</b>	<b>424,515,288</b>	<b>559,467,833</b>	<b>159,979,850</b>	<b>190,230,156</b>	<b>222,278,487</b>	<b>272,639,654</b>	<b>1,404,595,981</b>
<b>Grand Total</b>	<b>82,103,789</b>	<b>82,634,357</b>	<b>98,232,692</b>	<b>811,477,003</b>	<b>1,074,447,842</b>	<b>516,666,737</b>	<b>603,728,016</b>	<b>701,635,836</b>	<b>828,346,201</b>	<b>3,724,824,631</b>

The above table shows the projected operational and capital expenditure for the 30 years of transport activity. This is followed by the projected expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of transport activity. The movement in renewals reflect the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for 30 years for transport activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## STORMWATER

### Summary

Our stormwater service provides protection from flooding and weather events, while minimising the adverse effects of stormwater discharges on the harbours, streams and other water bodies of the city. As with all our core infrastructure services, we have a large inventory of physical assets and therefore a large funding requirement for operation, renewal and development.

### Stormwater infrastructure profile and level of service

While our stormwater infrastructure is in generally good condition, we know there are parts of the network where we are not meeting the current implied policy of providing flood protection to a 1 in 50 year severity event. Meeting this level of flood protection is not practical or financially sustainable. Our challenge over the next few years will be to model the stormwater catchments (hydraulic models), with the ability to examine them to a level of detail where we can make more informed capital investment and planning decisions in the future. In the meantime, we will be focussing on determining a city wide view of the at-risk areas where we will need to undertake stormwater improvements. For other parts of the city, we are addressing some known problem areas and we will continue to meet the level of service currently provided, generally protection to a 1 in 5 year severity event.

It is likely this work will also highlight the need for some rethinking of the current policy settings in stormwater - and in particular the levels of service the city might likely be able to provide into the future. Our approach will inform future discussions with our community. The stormwater service directly impacts coastal and freshwater quality around the city. While in general water quality standards are currently being met there are instances where this is not the case. A flagship blue-belt project focussing on water quality is one of a number of important initiatives proposed in the 2015-25 LTP.

### Growth and demand

Incomplete data currently exists to accurately quantify future demand on the stormwater network. Effects of climate change are expected to lead to increased discharge into waterways and impacts on the network where capacity constraints already exist. Expenditure growth will focus on planning controls and targeted investments to address service shortfalls, areas with repeated flooding and improvements in data and the network.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Data availability and confidence.	Comprehensive programme of data collection and data review.
There is a lack of clarity regarding the level of service (LoS) to be provided for flood protection – currently there is an implied LoS of protecting to a 1 in 50 year severity event but an actual service level provision is generally 1 in 5 year severity event.	Define the levels of service and protection the network is to provide.
Lack of understanding of the current level of flood protection provided and where.	Develop hydraulic models of the entire network.
There may be areas where due to the flood risk exposure that a LoS of protecting to a 1 in 50 year severity event is desirable. However, there are affordability issues associated with meeting this LoS.	Targeted improvements in network capacity. Use of planning controls and minimum floor levels.
We need to understand the risks from climate change impacts on the network and identify adaptation measures.	Use new hydraulic models to improve understanding of risk and Timing.
We need to consider the effects on water quality from our stormwater discharges and the effects on the community.	Engagement with the whitua committees through the process to set standards for water quality.

### Most likely scenario for service

The most likely scenario, looking forward, will be:

- to maintain the level of service we are currently providing for flood protection (a 1 in 5 year severity event) - for 70 percent of the city
- targeting at-risk areas where flood protection needs to be provided to a 1 in 50 year severity event
- to maintain the level of service we are currently providing for water quality - namely compliance with resource consents and maintaining appropriate standards of water quality and waterway health across Wellington City's coastal and river environments.

In order to achieve this, the Council needs to better understand the existing capacity of the network, where and to what extent we are providing flood protection to a 1 in 5 year severity event, and where the areas exposed to high flood risk are. Our hydraulic modelling projects will address this over the next three years; planning controls will also play an important and increasing role in reducing risk. There are some known problem areas and we propose progressive improvement in these areas whilst still advancing our understanding of city wide issues.

The water quality impacts of the network are also not well understood. The ongoing integrated catchment management planning work will identify targeted improvement opportunities, which will assist in meeting new standards set through the Greater Wellington Regional Council whitua process.

### Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review.

The funding and consenting impacts of water quality standards in the National Policy Statement on Freshwater Management and set through the Wellington regional plan review and whitua processes.

The integration of land use and infrastructure development - identifying network upgrades and bringing forward renewals to support the Council's growth aspirations.

Identifying and funding those localised flood protection projects required to provide flood protection to a 1 in 50 year severity event in at risk areas.

### Financial commentary

The charts that follow tell us that actual forecasted renewal costs will be less than budgeted for in the current LTP. In addition, spending fluctuates over the next 100 years with several spending spikes relating to the age and condition of the assets during that time, and most of the renewal and upgrade work is being undertaken around storm flood protection.

### Infrastructure and financial profiles

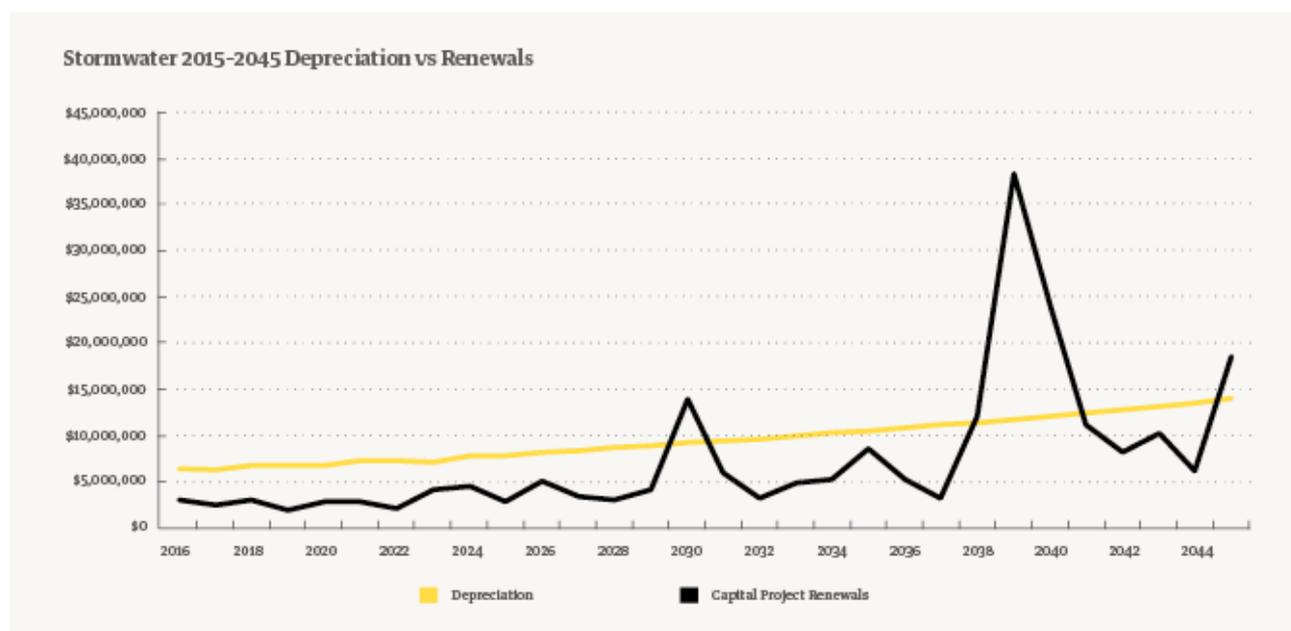
With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

## Scenario/service cost

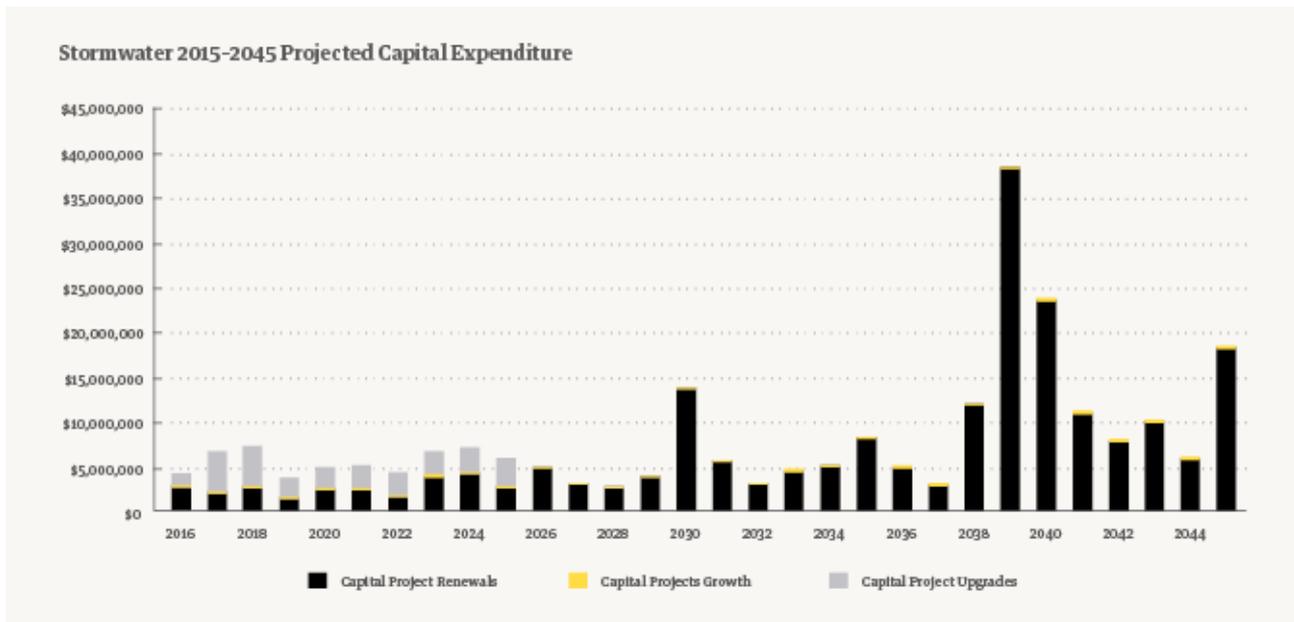
### Stormwater 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	10,528,489	10,865,471	11,558,182	101,651,965	134,604,108	80,834,913	93,709,819	108,635,364	125,938,161	543,722,365
Stewardship [depreciation]	6,051,949	6,031,270	6,453,127	49,116,707	67,653,053	42,538,579	49,313,872	57,168,293	66,273,720	282,947,518
Income	(9,500)	(9,681)	(9,871)	(75,525)	(104,576)	(63,275)	(73,353)	(85,036)	(98,580)	(424,821)
<b>Total Operating Projects</b>	<b>16,570,938</b>	<b>16,887,060</b>	<b>18,001,439</b>	<b>150,693,147</b>	<b>202,152,585</b>	<b>123,310,217</b>	<b>142,950,338</b>	<b>165,718,621</b>	<b>192,113,301</b>	<b>826,245,062</b>
Capital Project Renewals	2,793,658	2,233,314	2,748,833	19,626,854	27,402,657	28,560,380	26,795,498	82,028,003	53,386,189	218,172,728
Capital Project Upgrades	1,514,871	4,641,154	4,753,723	19,163,380	30,073,127					30,073,127
Capital Projects Growth	146,588	145,891	149,366	1,558,743	2,000,589	1,094,004	1,268,250	1,470,250	1,704,423	7,537,516
<b>Total Capital Projects</b>	<b>4,455,117</b>	<b>7,020,359</b>	<b>7,651,922</b>	<b>40,348,976</b>	<b>59,476,373</b>	<b>29,654,384</b>	<b>28,063,748</b>	<b>83,498,253</b>	<b>55,090,612</b>	<b>255,783,371</b>
<b>Grand Total</b>	<b>21,026,055</b>	<b>23,907,419</b>	<b>25,653,361</b>	<b>191,042,124</b>	<b>261,628,958</b>	<b>152,964,602</b>	<b>171,014,086</b>	<b>249,216,874</b>	<b>247,203,913</b>	<b>1,082,028,433</b>

The above table shows the projected operational and capital expenditure for the 30 years of stormwater activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of stormwater activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of stormwater activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## WATER SUPPLY

### Summary

Our water network provides the city with a cost-effective, safe and secure supply of potable water during normal conditions (on a day-to-day basis), along with supply of water during adverse conditions, such as after an earthquake or other natural disaster. The water supply network is large and complex, delivering 30 billion litres of water a year through the network. As with all our core infrastructure services, we have a large inventory of physical assets that require funding commitments for operation, renewal, and development.

The Council is working with other councils in the region to agree on a level of service for the provision of water during and after a major earthquake.

### Water supply infrastructure profile and level of service

Our water supply infrastructure is in good condition and our levels of service are meeting the needs of the city. These service levels are sustainable and affordable. Our current operations, programmes, and financial commitments are adequate to sustain this level of service over the immediate and medium-term (being within a 10-30 year horizon). Where low-risk assets are efficiently used to full capacity, close monitoring will occur.

### Growth and demand

While at a city-wide level we do not have a problem in meeting expected future demands on water supply, we expect to see increased demand in localised parts of the city. This will put pressure on the local network's ability to meet increased demand that will necessitate extra local storage. For example, the Hospital Prince of Wales reservoir proposed for construction over the 2018-25 period will cater for intensification of dwellings in the central city.

A more detailed evaluation of future demand and the development of a strategy to adequately meet this demand are required in the future.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Data availability and confidence.	Comprehensive programme of data collection and data review.
Some areas experience low water pressure.	Progressive improvements concurrent with renewals projects.
Some areas do not comply with Fire Service Code of Practice.	Progressive improvements concurrent with renewals projects.
Reduction of water consumption and unaccounted for water.	Continued education programmes, coordinated regionally by Wellington Water.
Increasing demand from population and economic growth.	Continue with water conservation education to free up capacity. Additional local storage to respond to localised increases in demand.
Network resilience to earthquake risk.	Continue programme of increasing seismic resilience of existing reservoirs and network.  Work with Wellington Water to improve bulk network resilience.  Work with District Health Board to increase storage for the Hospital  Increase treated water storage with construction of the Prince of Wales reservoir.
Continuity of supply during and after a seismic event.	Work with other councils to agree on a LoS for provision of water during and after a major earthquake. Implement a work programme to achieve this target.

### Most likely scenario for service

The current level of service will be maintained and the operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term. Reactive maintenance costs will be monitored closely. Efficiencies and economies of scale will be achieved from the Wellington Water merger, along with growth to match capacity and renewals requirements.

### Innovation is likely to reduce renewal costs in the medium term

Aside from some spending spikes over the next 100 years, a relatively high proportion of the spending on renewing potable water pipes will be during the next 10-30 years (with a focus in the city's northern areas). In addition, forecasted actual costs will be less than what is budgeted for in the LTP.

We will work with other councils in the region to agree on a LoS for the provision of a water supply during and after a seismic event. This will then inform a work programme to achieve this target.

### Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review.

Improvements associated with the development and maintenance of an increasingly resilient network.

- The integration of land use and infrastructure development - identifying network upgrades and bringing forward renewals to support Council's growth aspirations.

### Financial commentary

The diagrams below tell us that, aside from some spending spikes over the next 100 years, a relatively high proportion of the spending on renewing potable water pipes will be during the next 10-20 years (with a focus in the city's northern areas). In addition, forecasted actual costs will be less than what is budgeted for in the LTP.

### Infrastructure and financial profiles

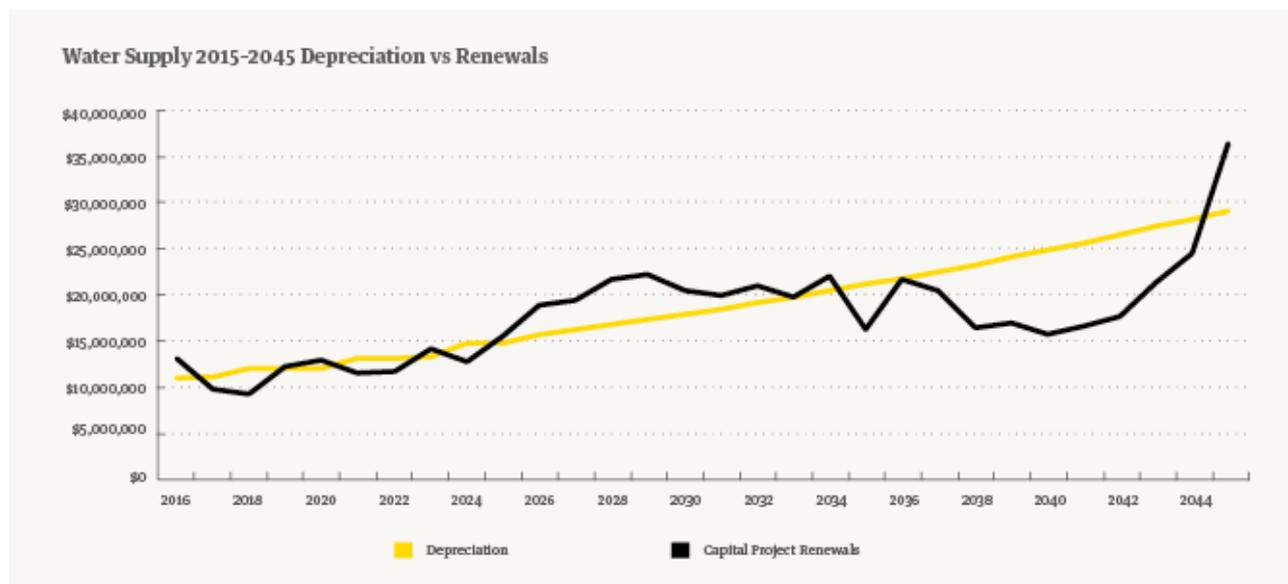
With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

Scenario/service cost

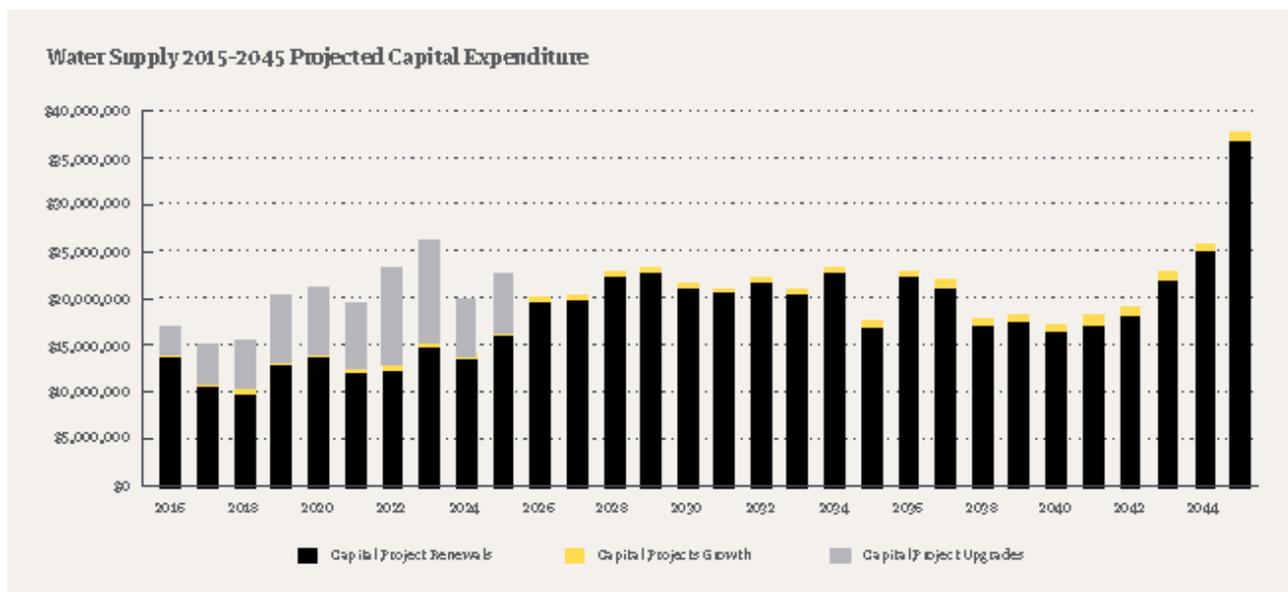
Water Supply 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	26,029,088	27,561,861	29,305,878	274,290,082	357,186,909	246,012,446	285,195,851	330,620,156	383,279,375	1,602,294,738
Stewardship [depreciation]	12,282,211	12,301,414	13,182,209	100,909,855	138,675,689	88,028,110	102,048,706	118,302,419	137,144,927	584,199,852
Income	(34,700)	(35,359)	(36,053)	(275,865)	(381,978)	(231,120)	(267,932)	(310,606)	(360,078)	(1,551,713)
<b>Total Operating Projects</b>	<b>38,276,600</b>	<b>39,827,916</b>	<b>42,452,033</b>	<b>374,924,072</b>	<b>495,480,621</b>	<b>333,809,436</b>	<b>386,976,625</b>	<b>448,611,969</b>	<b>520,064,225</b>	<b>2,184,942,877</b>
Capital Project Renewals	13,350,699	10,191,111	9,583,830	92,779,073	125,904,712	102,834,665	99,384,472	91,884,171	116,112,020	536,120,041
Capital Project Upgrades	3,029,513	4,196,858	5,175,237	56,757,310	69,158,918					69,158,918
Capital Projects Growth	570,980	546,936	651,211	4,600,427	6,369,554	3,483,133	4,037,906	4,681,040	5,426,608	23,998,240
<b>Total Capital Projects</b>	<b>16,951,192</b>	<b>14,934,904</b>	<b>15,410,278</b>	<b>154,136,810</b>	<b>201,433,184</b>	<b>106,317,798</b>	<b>103,422,378</b>	<b>96,565,211</b>	<b>121,538,628</b>	<b>629,277,199</b>
<b>Grand Total</b>	<b>55,227,792</b>	<b>54,762,820</b>	<b>57,862,311</b>	<b>529,060,882</b>	<b>696,913,805</b>	<b>440,127,234</b>	<b>490,399,004</b>	<b>545,177,180</b>	<b>641,602,853</b>	<b>2,814,220,076</b>

The above table shows the projected operational and capital expenditure for 30 years of water supply activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of water supply activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of water supply activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from year 11 to 30 are currently unplanned and unbudgeted.

## WASTEWATER

### Summary

Our wastewater service is focussed on providing the safe and reliable conveyance and treatment of wastewater. This incorporates the safe, efficient conveyance of wastewater from households and other properties to treatment plants and treatment that meets environmental and health standards. As with all our core infrastructure services, we have a large inventory of physical assets and therefore require funding commitments for operation, renewal and development. The wastewater network primary assets are pipes for conveyance and treatment plants. A flagship blue-belt project focussing on inflow, infiltration and the real-time monitoring of wastewater flows is one of a number of key initiatives in the 2015-25 LTP.

### Wastewater infrastructure profile and levels of service

Our wastewater infrastructure is in good condition and our levels of service are meeting the needs of the city. These service levels are sustainable and affordable. Our current operations, programmes, and financial commitments are adequate to sustain this level of service over the immediate and medium-term (being within a 10-30 year horizon). Where low-risk assets are efficiently used to full capacity, close monitoring will occur. A high proportion of renewals work will be concentrated on fixing inflow and infiltration problems linked to pipe condition; a relatively high proportion of the money spent will be during the next 10-20 years.

### Growth and demand

Demand increases are likely to come from northern parts of the city over the medium (10 to 30 years) to long-term (post 30 years) with particular implications for the capacity of the Porirua wastewater treatment plant (of which the Council owns 27.6 percent). Renewals requirements will ramp up between 8 and 20 years into the future.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Data availability and confidence.	Comprehensive programme of data collection and data review.
Stormwater and groundwater ingress into the sewer network causing overflows to stormwater and water quality problems.	Use new hydraulic models to target intervention in both public and private networks.  Install real-time monitoring system throughout network to proactively manage overflows.
Effects from hydrogen sulphide on the network.	Implementation of a monitoring plan and improvement works as required.
Existing network has capacity limitations.	Address stormwater and groundwater ingress.  Progressive improvements concurrent with renewals projects.  Use new hydraulic models to identify trunk network deficiencies.
New water quality standards and consenting requirements.	Introduction of the blue-belt project focussing on inflow, infiltration and the real-time monitoring of wastewater flows to reduce the impact on water quality.
Climate change impact on network.	Use new hydraulic models to improve understanding of risk and timing.
Increasing demand from population and economic growth - in particular the impact of growth from the northern suburbs on the Porirua wastewater treatment plant.	Work with Porirua City to increase Johnsonville treatment plant capacity to accommodate growth in northern growth areas.
Sludge disposal.	Investigations are under way to develop a regional solution to sludge disposal. There is likely to be capital implications, which will be included in the 2018-2021 LTP.

## Most likely scenario for service

The current level of service will be maintained and the operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term.

## Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review:

- the funding and consenting impacts of water quality standards in the National Policy Statement on Freshwater Management and set through the Wellington regional plan review and whitua processes
- the integration of land use and infrastructure development - identifying network upgrades and bringing forward renewals to support the Council's growth aspirations
- the development and maintenance of an increasingly resilient network
- the delivery model the Council wishes to employ at the end of the current Clearwater Wellington Design/Build/Operate contract in 2020 for the Moa Point and Western (Karori) wastewater treatment plants
- options for reducing the impact of waste activated sludge on solid waste minimisation initiatives.

## Financial commentary

The detailed information we have tells us, firstly, that forecasted actual costs over the next 100 years are very closely aligned with what is budgeted for in the LTP. It also shows that a high proportion of renewals work will be concentrated in the city's northern areas and that a relatively high proportion of the money spent will be during the next 10-20 years. Finally, all growth, upgrade, and renewal work will be focussed on safe transport of wastewater; and that spending on wastewater treatment is expected to be operational only.

## Infrastructure and financial profiles

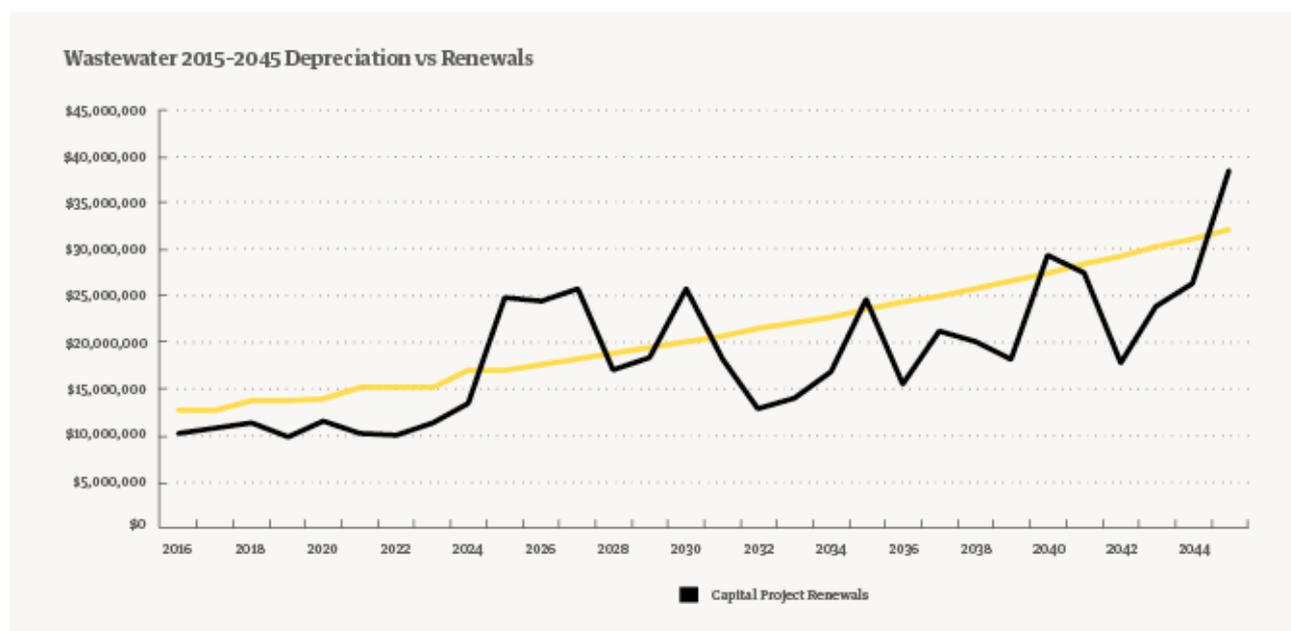
With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

## Scenario/service cost

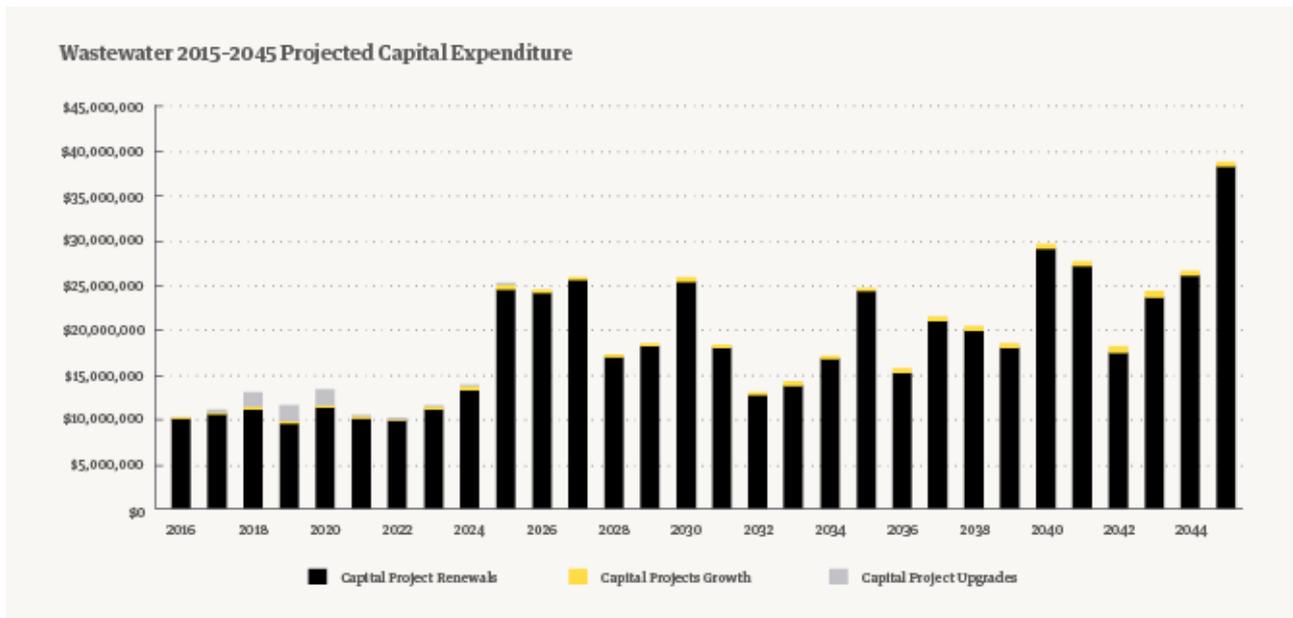
### Wastewater Supply 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	26,701,575	27,835,777	29,261,270	250,600,899	334,399,520	238,516,516	276,506,013	320,546,252	371,600,960	1,541,569,262
Stewardship [depreciation]	13,230,309	13,242,700	14,231,509	109,970,551	150,675,069	95,258,791	110,431,047	128,019,850	148,410,093	632,794,850
Income	(614,900)	(626,583)	(638,881)	(4,888,458)	(6,768,823)	(4,095,558)	(4,747,874)	(5,504,087)	(6,380,746)	(27,497,089)
<b>Total Operating Projects</b>	<b>39,316,984</b>	<b>40,451,893</b>	<b>42,853,897</b>	<b>355,682,992</b>	<b>478,305,766</b>	<b>329,679,749</b>	<b>382,189,186</b>	<b>443,062,015</b>	<b>513,630,307</b>	<b>2,146,867,023</b>
Capital Project Renewals	10,257,575	10,779,959	11,380,464	91,262,915	123,680,913	111,880,292	86,875,704	104,698,215	134,604,866	561,739,990
Capital Project Upgrades	1,673	313,575	1,616,712	4,318,025	6,246,639	-	-	-	-	6,246,639
Capital Projects Growth	224,795	233,234	322,285	2,622,625	3,402,939	1,860,866	2,157,254	2,500,849	2,899,169	12,821,077
<b>Total Capital Projects</b>	<b>10,480,697</b>	<b>11,326,767</b>	<b>13,319,461</b>	<b>98,203,566</b>	<b>133,330,491</b>	<b>113,741,158</b>	<b>89,032,959</b>	<b>107,199,063</b>	<b>137,504,035</b>	<b>580,807,707</b>
<b>Grand Total</b>	<b>49,797,681</b>	<b>51,778,661</b>	<b>56,173,358</b>	<b>453,886,558</b>	<b>611,636,257</b>	<b>443,420,908</b>	<b>471,222,145</b>	<b>550,261,078</b>	<b>651,134,342</b>	<b>2,727,674,730</b>

The above table shows the projected operational and capital expenditure for the 30 years of wastewater activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of wastewater activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of wastewater activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## SOCIAL INFRASTRUCTURE

Legislation does not require the Council to include its Social Infrastructure in its 30-year Infrastructure Strategy. However, as part of its broader asset management strategy, the Council is working towards developing similar asset management information it now holds for its network infrastructure, which it will improve further over time. This will allow the Council to develop statistical modelling to inform its long-term renewal work programme in its social infrastructure. The following section summarises the Council's planned responses to asset management using a similar approach to that used in the network infrastructure. It includes service profile and level of service, growth and demand assumptions, issues and risks, and options to address risk. The social infrastructure included in the following section includes:

- Libraries and Community Services
- Parks and Open Spaces
- Recreation Services
- Community Health Services
- City Housing
- Corporate Property.

## LIBRARIES AND COMMUNITY SERVICES

### Summary, profile and level of service

Libraries and Community Services incorporate the facilities and spaces used for library and community activities (including childcare centres and services). These facilities and services help educate, inform, and bring people together; they provide a platform to deliver the activities and services that contribute to strong communities, and provide for important functions within those communities. In our community infrastructure there is under-utilisation and in some geographical areas lack of alignment between the level of services. These services are intensive in the heavy use associated with physical assets (i.e. the properties and buildings). Currently, our levels of service are meeting the needs of the city, though in some cases demand exceeds capacity and in other areas there is under-utilisation of facilities.

### Growth and demand

Growth in services will be driven predominantly by population growth, mainly in the northern and central areas of the city. Changes in demand will be aligned with changing demographics, community expectations, and the adoption of technological solutions for service provision. Aligning services with community expectations will likely determine demand growth, for example, the more technology is adopted, and the greater the demand will be for services.

## Major issues and risks

### Libraries

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Facilities not fit for purpose.	Rationalise and transform the network of buildings and develop as “hubs” to address the changing role of libraries.  Work with local communities to transition parts of the current branch network to a more community-driven model for smaller libraries.
Cost of service provision. Current funding model is not sustainable.	Review Funding Policy.  Rationalise and transform the network of buildings and develop as “hubs” to address the changing role of libraries.  Work with local communities to transition parts of the current branch network to a more community-driven model for smaller libraries.
Managing customer expectations for digital services.	Continue working with aggregators and other library partners, for example the National Library, to expand digital offerings.

### Community Services

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Facilities not fit for purpose.	Rationalise/divest.  Explore options of decoupling service from old and not fit for purpose buildings.  Look at opportunity to support further devolvement to community ownership and service delivery.  Devolve service delivery to community groups. Partner with existing non-Council community venues and support service delivery through grants.
Cost of direct (Council) delivery of service	Continue to devolve service delivery to community groups and support through three contracts for services – from grants.  Ensure support is in place to assist community groups to provide effective outcomes for their local communities.  This includes use of technology.

### Most likely scenario for service

In the short to medium term (5-10 years), the libraries’ current services will grow as we face the challenge of transitioning to online communities, while at the same time we maintain our current physical services. Over the longer term of the 30IS, under-utilisation and capacity / demand alignment may drive changes in the delivery and level of the service. In the short to medium term (5-10 years) current services from community services/assets will transition to partnership arrangements to deliver hyper-local community driven programmes and services, as well as a move to further decoupling of services from Council-owned assets.

### Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

#### Libraries

- The number and location of physical service points.
- The funding model for library service.

#### Community Services

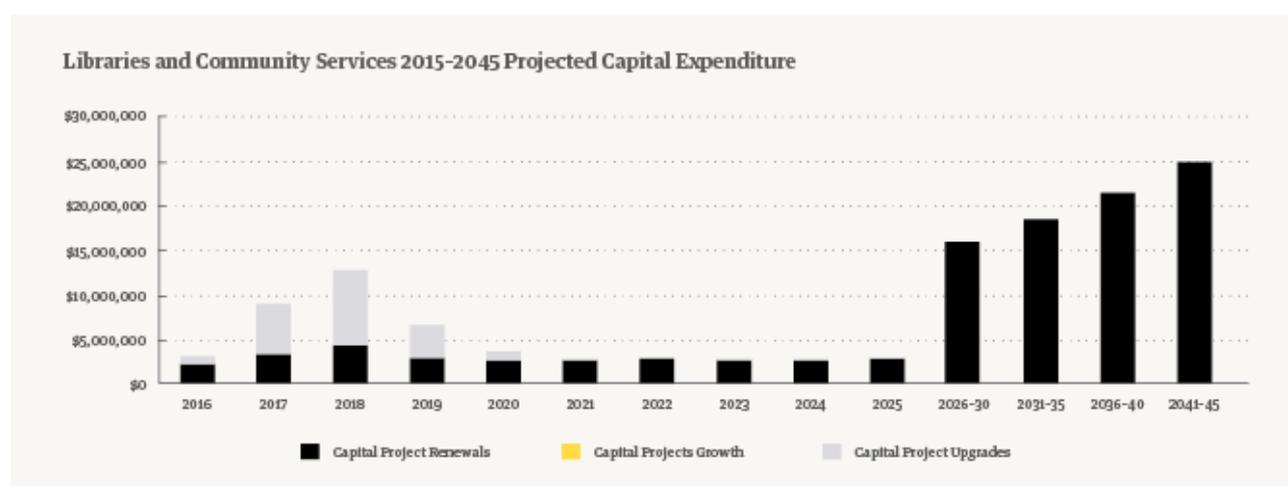
- As part of the community facilities review, a number of communities have been identified for facilities upgrades.
- Earthquake assessments have identified many buildings are not fit for purpose.

## Scenario/service cost

### Libraries and Community Services 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	19,987,296	20,736,884	21,443,734	167,508,923	229,676,836	135,074,955	156,588,893	181,529,444	210,442,378	913,312,505
Stewardship [depreciation]	3,694,551	4,481,085	5,007,786	44,404,253	57,587,676	33,126,322	38,402,486	44,519,007	51,609,731	225,245,222
Income	(1,714,966)	(1,611,497)	(1,523,441)	(9,854,732)	(14,704,636)	(7,699,942)	(8,926,343)	(10,348,078)	(11,996,258)	(53,675,256)
<b>Total Operating Projects</b>	<b>21,966,881</b>	<b>23,606,471</b>	<b>24,928,079</b>	<b>202,058,445</b>	<b>272,559,876</b>	<b>160,501,335</b>	<b>186,065,037</b>	<b>215,700,373</b>	<b>250,055,850</b>	<b>1,084,882,471</b>
Capital Project Renewals	2,245,276	3,395,500	4,374,279	19,476,751	29,491,806	16,127,328	18,695,993	21,673,780	25,125,852	111,114,759
Capital Project Upgrades	843,920	5,709,416	8,551,982	4,978,727	20,084,045					20,084,045
Capital Projects Growth	-	-	-	-	-					-
<b>Total Capital Projects</b>	<b>3,089,196</b>	<b>9,104,916</b>	<b>12,926,261</b>	<b>24,455,478</b>	<b>49,575,851</b>	<b>16,127,328</b>	<b>18,695,993</b>	<b>21,673,780</b>	<b>25,125,852</b>	<b>131,198,804</b>
<b>Grand Total</b>	<b>25,056,076</b>	<b>32,711,387</b>	<b>37,854,340</b>	<b>193,031,920</b>	<b>322,135,726</b>	<b>176,628,663</b>	<b>204,761,030</b>	<b>237,374,154</b>	<b>275,181,702</b>	<b>1,216,081,275</b>

The above table shows the projected operational and capital expenditure for the 30 years for libraries activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of libraries activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## PARKS AND OPEN SPACES

### Summary, profile, and level of service

Our parks and open spaces provide year-round opportunities for residents and visitors to access open space, recreation, and natural areas. The service comprises open spaces, botanic gardens, outdoor public arts, memorials, and playgrounds. Open spaces are managed in ways that balance conservation and enhancement with opportunities for enjoyment and recreation. Playgrounds give families and young people safe, accessible, and convenient places to play, while our public art and memorials make a significant contribution to the quality of public space and are often colourful expressions of the city's creativity.

Our parks and open spaces are in good condition, and our levels of service are meeting the needs of the city. The provision of open spaces is also supported by a strong network of volunteers, who advocate for and help maintain these areas. While in general levels of service are currently being met there are instances where this is not the case.

## Growth and demand

Growth in the service is driven by increases in urban development and improvement, along with an increase in reserve estate assets through subdivision growth. Growth and demand are also influenced by recreational trends, for example dog exercise areas, walking, and mountain biking. Changing demographics will also influence how our customers will use the parks and open spaces and how we will respond to those needs, for example providing opportunities for an ageing population to access and enjoy the natural areas. Growth and demand, such as increasing public expectations for access, puts pressure on levels of service.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Growing asset base due to development.	Plan for development areas to make sure levels of service are maintained. Reduce levels of service.
Intensified use of open space due to urban intensification and population growth.	Adapt spaces; prioritise use and service to respond to intensified use.
Climate change and weather events.	Improve understanding of risks and timing. Target improvements to key open space land and infrastructure.
Changes in recreation trends.	Engage with and understand our stakeholders to make sure we plan for current and future trends and patterns.

## Most likely scenario for service

Due to development, growth in the use of our existing network and land asset base will mean we need to manage operational funding levels to maintain the current levels of service. We also need to make sure we have the ability to respond to effects of climate change, especially in coastal areas and as a result of storm events.

## Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network.
- Continuing investment in maintaining and improving biodiversity.
- Making sure the existing resources are managed in response to intensified use and changing demographics.
- Flexibility to respond to demographic and recreational changes.

## Financial commentary

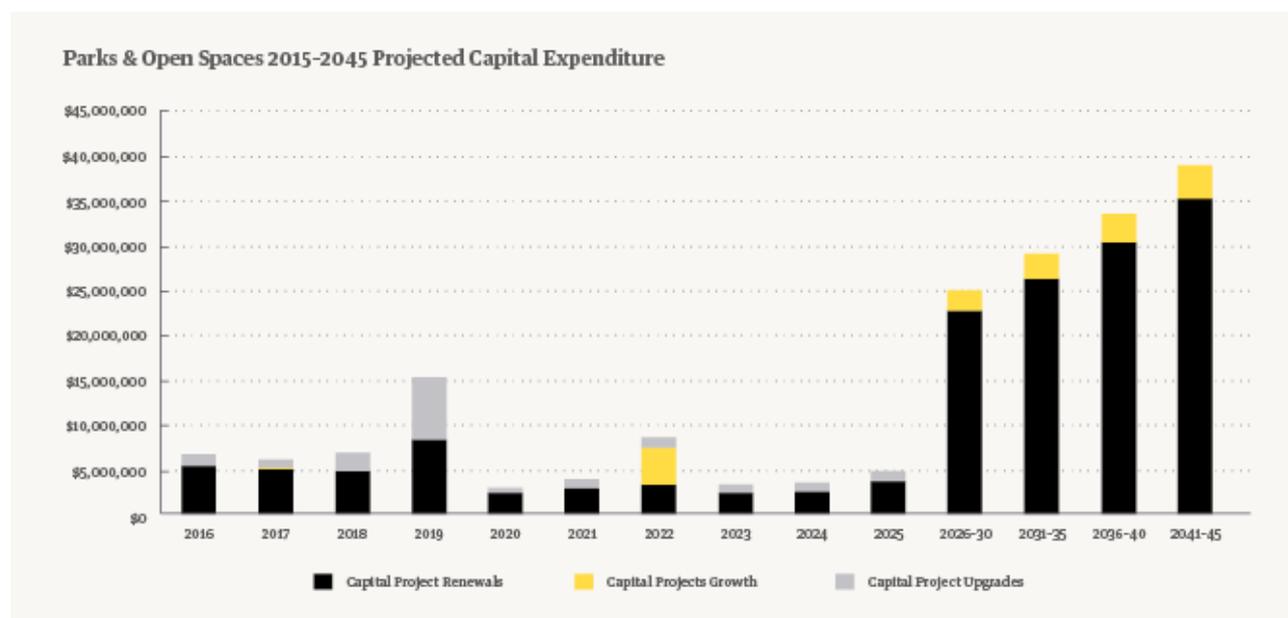
The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council's specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service is relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The short to medium-term capital investment in the parks and open spaces will be partially funded by the Charles Plimmer Bequest; this includes the Wellington Botanic Garden Children's Garden, the proposed heritage park on Watts Peninsula, and various open space upgrades. A corresponding operation and maintenance programme has been funded mid to long-term to make sure the future growth of the asset base through new subdivisions and reserves agreements is managed, with provision to support to the increasing parks and open space volunteer base.

## Scenario/service cost

### Parks and Open Spaces 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	18,649,235	18,732,820	19,505,311	163,329,119	220,216,486	137,905,152	159,869,868	185,332,993	214,851,734	918,176,232
Stewardship [depreciation]	4,213,954	4,210,412	4,279,942	30,946,336	43,650,645	26,383,611	30,585,836	35,457,367	41,104,806	177,182,264
Income	(537,268)	(547,476)	(558,221)	(4,271,281)	(5,914,246)	(3,578,486)	(4,148,446)	(4,809,186)	(5,575,165)	(24,025,529)
<b>Total Operating Projects</b>	<b>22,325,921</b>	<b>22,395,756</b>	<b>23,227,032</b>	<b>190,004,175</b>	<b>257,952,884</b>	<b>160,710,277</b>	<b>186,307,258</b>	<b>215,981,174</b>	<b>250,381,375</b>	<b>1,071,332,967</b>
Capital Project Renewals	5,387,506	5,027,005	4,745,478	25,157,039	40,317,028	22,628,246	26,232,339	30,410,470	35,254,070	154,842,152
Capital Project Upgrades	1,151,445	1,108,289	1,984,167	12,581,271	16,825,172	-	-	-	-	16,825,172
Capital Projects Growth	34,332	35,178	36,062	4,284,212	4,389,784	2,400,514	2,782,853	3,226,089	3,739,922	16,539,162
<b>Total Capital Projects</b>	<b>6,573,284</b>	<b>6,170,472</b>	<b>6,765,706</b>	<b>42,022,521</b>	<b>61,531,983</b>	<b>25,028,759</b>	<b>29,015,192</b>	<b>33,636,560</b>	<b>38,993,992</b>	<b>188,206,485</b>
<b>Grand Total</b>	<b>28,899,205</b>	<b>28,566,228</b>	<b>29,992,739</b>	<b>232,026,697</b>	<b>319,484,867</b>	<b>185,739,036</b>	<b>215,322,449</b>	<b>249,617,733</b>	<b>289,375,367</b>	<b>1,259,539,453</b>

The above table shows the projected operational and capital expenditure for the 30 years for parks and open spaces activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11-30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of parks and open spaces activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11-30 are currently unplanned and unbudgeted.

## RECREATION SERVICES

### Summary, profile, and level of service

Recreation Services - which includes swimming pools, recreation centres, sportsfields and marinas - provide a wide variety of accessible recreation opportunities throughout the city to enhance and encourage health, wellbeing, and quality of life. By providing a range of recreation facilities we also attract visitors, raise the city's profile and provide economic benefit by hosting national and international events.

Currently, our levels of service are meeting the needs of the city, though in some cases demand exceeds capacity, such as peak time availability of sportsfields training spaces, and in other areas there is under-utilisation of services, for example daytime use of some facilities, such as recreation centres and swimming pools. The physical asset inventory used to provision recreation is generally in good condition, and we will continue to optimise the investment we have made in assets to provide sustainable networks of facilities. This includes making sure we respond and plan accordingly where operational costs for assets are rising, such as for natural turf sportsfields, and also consider future options for unviable assets.

**Growth and demand**

Service growth will broadly be driven by population growth and demographic changes in areas of the city. Overall service growth is expected to be modest and in line with moderate changes over time in population and demographics. Demand changes for recreation services can be more challenging to understand as they are driven by changing leisure and recreational trends, which can include the demand for casual and informal sporting and recreational activities. Changing demographics will also influence how our customers will use recreation services and how we will respond to those needs, for example providing recreational opportunities for an active ageing population. Increasing community and elite sport expectations also puts pressure on levels of service.

**Major issues and risks**

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Impact on the sportsfield network and facilities from NZTA projects, e.g. SH1 Ruahine Street Airport Corridor (Kilbirnie Park, Hataitai Park), and Petone/Grenada Link Road (Grenada North Park).	Work with NZTA to continue to provide a sustainable network of sportsfield facilities.
Viability and purpose of some facilities and services.	Explore and implement long-term sustainable options for facilities and services.
Increasing and changing demands from customers and stakeholders, including increasing expectations from community and elite sports.	Work closely with customers and stakeholders and make sure planning is undertaken in a regional context where appropriate.
Utilisation and revenue of recreation services.	Maintain utilisation and revenue through the provision of relevant and attractive facilities to customers.
Climate change impact on marinas.	Target improvements to infrastructure.
Built recreation network resilience to earthquake risk.	Continuous network resilience improvements, prioritised and aligned with 5-yearly maintenance closures.

**Most likely scenario for service**

In general, the short to medium-term current service levels will be maintained, with some longer term decisions around viability of assets and variations to service required. Decisions about utilisation, capacity, and requirements for further investment in some services may provide for variations in service levels over the medium to long-term.

**Significant future decisions**

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network
- Continuing investment in maintain and improving revenue and utilisation
- Ensuring the existing resources are managed in response to changing recreational trends and uses.

**Financial commentary**

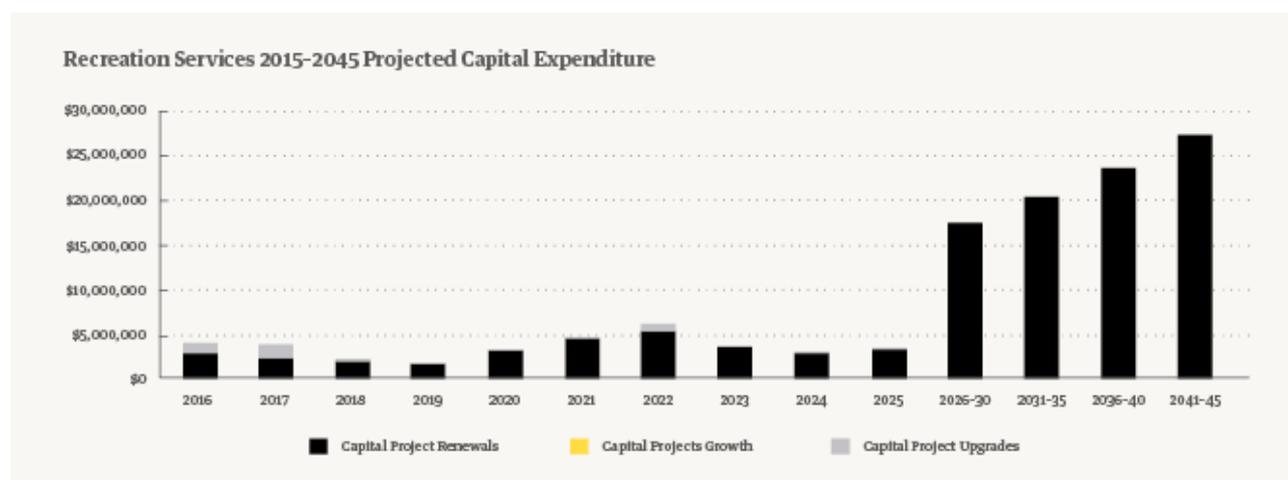
The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council’s specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service is relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The capital investment programme in the sportsfields network will be subject to ongoing regional planning requirements, with a corresponding operation and maintenance programme required to ensure the lifecycle of these capital investments are optimised. Implementing long-term sustainable options for facilities providing this service will include exploring other options for use based on growth and demand in leisure and recreational activities.

## Scenario/service cost

### Recreation Services 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	29,220,440	29,902,361	30,587,254	237,120,900	326,830,955	192,518,404	223,181,594	258,728,636	299,937,400	1,301,196,989
Stewardship [depreciation]	6,865,097	6,899,655	6,359,585	44,152,828	64,277,164	36,779,312	42,637,303	49,428,320	57,300,970	250,423,071
Income	(11,481,303)	(11,780,360)	(11,933,812)	(91,580,590)	(126,776,065)	(77,476,639)	(89,816,659)	(104,122,125)	(120,706,080)	(518,897,568)
<b>Total Operating Projects</b>	<b>24,604,233</b>	<b>25,021,656</b>	<b>25,013,027</b>	<b>189,693,138</b>	<b>264,332,055</b>	<b>151,821,077</b>	<b>176,002,238</b>	<b>204,034,832</b>	<b>236,532,290</b>	<b>1,032,722,491</b>
Capital Project Renewals	2,967,628	2,407,950	1,976,078	24,811,072	32,162,728	17,587,898	20,389,194	23,636,664	27,401,372	121,177,857
Capital Project Upgrades	1,126,203	1,465,862	325,381	1,316,462	4,233,908	-	-	-	-	4,233,908
Capital Projects Growth	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Projects</b>	<b>4,093,832</b>	<b>3,873,812</b>	<b>2,301,459</b>	<b>26,127,534</b>	<b>36,396,637</b>	<b>17,587,898</b>	<b>20,389,194</b>	<b>23,636,664</b>	<b>27,401,372</b>	<b>125,411,765</b>
<b>Grand Total</b>	<b>28,698,065</b>	<b>28,895,468</b>	<b>27,314,486</b>	<b>215,820,672</b>	<b>300,728,691</b>	<b>169,408,975</b>	<b>196,391,432</b>	<b>227,671,496</b>	<b>263,933,662</b>	<b>1,158,134,256</b>

The above table shows the projected operational and capital expenditure for the 30 years of recreation services activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11-30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of recreation services activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11-30 are currently unplanned and unbudgeted.

## COMMUNITY HEALTH SERVICES

### Summary, profile, and level of service

Community health services support the health and safety of the city's communities, and also provide for dignified bereavement and resting places. The service comprises public toilets, pavilions, cemeteries, and crematorium services. By providing these services, the Council meets its legislative and policy obligations (such as the Local Government Act (2002) and the Assessment of Water and Sanitary Services (2005) Policy) and reduces public health and environmental risks.

Our public toilets infrastructure currently provides a level of service that is adequate for the city. To ensure the Council continues to meet its legislative requirements (Burial and Cremation Act 1964 - Part 1; section 4) it will continue to invest in cemetery infrastructure to ensure future development requirements are achievable.

**Growth and demand**

Growth in public toilets and burial and cremation services is closely linked to population, demographic changes, and urban growth. It is expected that service growth will closely match these changes. Demand for particular services can be influenced by changes in trends, for example more people choosing to be cremated, with the public toilet network responding to meet the configuration and growth of the city. Growth and demand, such as increasing public expectations for access, puts pressure on levels of service.

**Major issues and risks**

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Cemeteries that will reach capacity in the medium-term of our 30-year horizon.	<p>Makara Cemetery will be required to expand into available flat land to continue to meet the demand for burials.</p> <p>Invest in infrastructure upgrades at Makara Cemetery to ensure future development requirements are achievable.</p>
Cremation services infrastructure that has reached the end of its service life.	<p>We are undertaking a business case to re-invest in crematorium plant examining the return on investment, impact on our funding policy, and key risks and benefits to retaining this level of service.</p> <p>Private provision of service.</p>

**Most likely scenario for service**

Current public toilet levels of service will be maintained, though urban growth and intensification will put pressure on maintaining this level of service over the medium-term. Burials and cremations infrastructure requires development and renewal to achieve a level of service that meets legislative requirements and community expectations.

**Significant future decisions**

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network
- Continuing investment to ensure legislative requirements are met
- Ensuring the existing resources are managed in response to intensified use and changing demographics.

**Financial commentary**

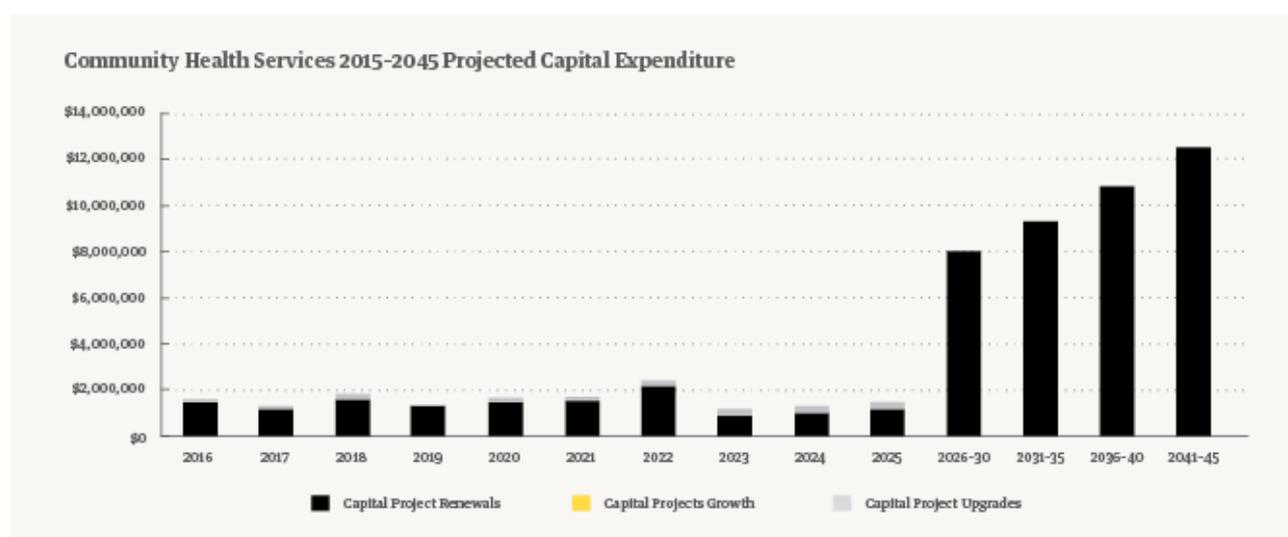
The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council’s specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service is relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The capital reinvestment in the crematorium plant is subject to the approval of the business case and the result will be reflected in the LTP. The capital investment required for the future development of Makara Cemetery will be informed by the survey and geotechnical assessments of the undeveloped land prior to the 2018/19 LTP.

## Scenario/service cost

### Community Health Services 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	3,824,407	3,927,892	4,084,282	32,697,350	44,533,931	27,795,747	32,222,888	37,355,159	43,304,868	185,212,592
Stewardship [depreciation]	640,326	705,203	744,432	6,846,875	8,936,835	6,780,144	7,860,045	9,111,947	10,563,243	43,252,214
Income	(800,396)	(855,523)	(872,314)	(6,674,590)	(9,202,824)	(5,591,983)	(6,482,641)	(7,515,157)	(8,712,127)	(37,504,731)
<b>Total Operating Projects</b>	<b>3,664,337</b>	<b>3,777,571</b>	<b>3,956,399</b>	<b>32,869,635</b>	<b>44,267,942</b>	<b>28,983,908</b>	<b>33,600,293</b>	<b>38,951,949</b>	<b>45,155,984</b>	<b>190,960,075</b>
Capital Project Renewals	1,509,102	1,190,541	1,589,117	9,710,548	13,999,308	7,969,087	9,238,356	10,709,787	12,415,578	54,332,116
Capital Project Upgrades	110,480	150,991	252,935	1,448,926	1,963,332	-	-	-	-	1,963,332
Capital Projects Growth	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Projects</b>	<b>1,619,582</b>	<b>1,341,532</b>	<b>1,842,052</b>	<b>11,159,475</b>	<b>15,962,640</b>	<b>7,969,087</b>	<b>9,238,356</b>	<b>10,709,787</b>	<b>12,415,578</b>	<b>56,295,449</b>
<b>Grand Total</b>	<b>5,283,918</b>	<b>5,119,104</b>	<b>5,798,451</b>	<b>44,029,109</b>	<b>60,230,582</b>	<b>36,952,995</b>	<b>42,838,649</b>	<b>49,661,735</b>	<b>57,571,562</b>	<b>247,255,524</b>

The above table shows the projected operational and capital expenditure for the 30 years of community health activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of community health service activity. This is followed by the projected capital expenditure in subsequent 5 year-period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## CITY HOUSING

### Summary, profile, and level of service

Our social housing serves to ensure that basic housing needs are met for people who face barriers in accessing affordable and appropriate housing, and to enable and empower people, where possible, to make changes in their lives. This is carried out through provision of the housing assets, tenancy management services, and community development. At current levels of provision we experience an excess of demand for social housing services over supply.

Approximately 40 percent of the social housing infrastructure has been upgraded within the last 5 years, another 10 percent will be completed by 2016, and there are plans for the remainder to be completed by 2027. Maintenance and renewals programmes are keeping the remainder of the portfolio in a reasonable standard of repair, although poor condition data means we may be currently under or over investing in these programmes.

## Growth and demand

Social housing need is driven by population growth, coupled with income levels and access to appropriate and affordable housing by vulnerable households. Demographic changes, along with household composition changes, will require modifications to the types of properties offered by the service.

The form and location of the Council's housing assets is largely based on decisions taken in the 1960s and 1970s. Our stock is therefore predominantly single-person accommodation located in high-density high-rise apartment blocks. Many units are in areas where Housing New Zealand Corporation also has a significant presence. Having a high density of social housing in a suburb brings social and community development challenges. Future demand for social housing needs to be better understood in order to plan for service changes.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Capital tied up in poor performing assets and cash-flow considerations.	<p>Develop and gain approval for a divestment and investment strategy that targets poor performing assets.</p> <p>Initiate divestment and reinvestment programme in 2015/16.</p> <p>Develop and apply property performance data collection tools and systems.</p>
Lack of future capital to fund growth.	<p>Government housing policy is now firmly focussed on growing the third sector, so it is unlikely the Council will itself receive any direct Crown assistance in the foreseeable future.</p> <p>Explore new capital funding and other opportunities for the Council and its housing partners to grow the quantum of social housing in Wellington.</p> <p>Use any surpluses to fund housing renewal activity.</p>
Upgraded properties offering a higher level of service than non-upgraded properties.	<p>Completion of asset and condition data to enable accurate future projection of maintenance costs.</p> <p>Review of business model to enable sustainable delivery of service.</p>
Ability to deliver key community development programmes constrained.	<p>Review of business model to enable sustainable delivery of service.</p>
Affordability issues for some service users.	<p>Review of Social Housing Policy including policy for rent setting, reviewing options for service user access to government subsidy, and progressing access to IRR.</p>

## Most likely scenario for service

The service suffers from a cash flow issue, which puts the tenancy management and community development service levels and reinvestment in the portfolio at risk. Funding constraints and cost escalations mean that levels of service for the social housing asset will continue to fall short of meeting the needs of the city. The long-term sustainability of the social housing service requires a reassessment of the existing business model, which is under way.

## Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

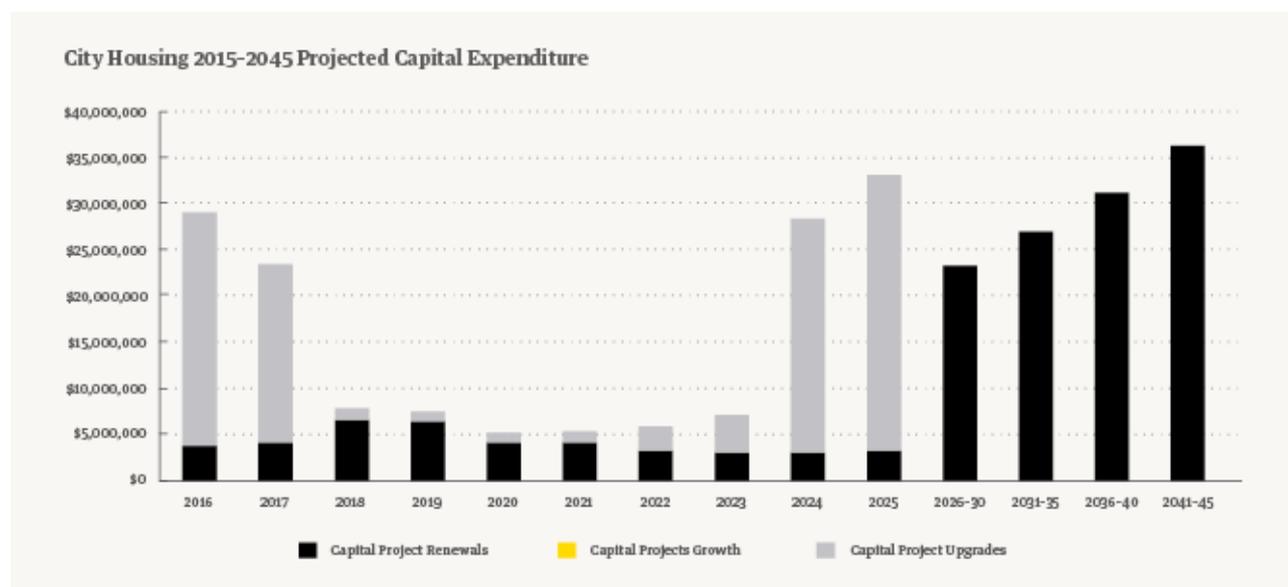
- The impact of changes to the delivery of State housing and to the sector through the Government's Social Housing Reform programme.
- The future of the social housing service after the Deed of Grant agreement with the Crown expires in 2037.

## Scenario/service cost

### City Housing 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	14,033,621	13,691,812	14,239,061	111,053,678	153,018,173	104,169,330	(44,014,316)	(51,024,655)	(59,151,560)	102,996,972
Stewardship [depreciation]	11,614,076	11,918,830	12,580,102	94,646,000	130,759,009	82,289,632	95,396,237	110,590,384	128,204,565	547,239,827
Income	(43,271,356)	(41,102,185)	(25,457,979)	(177,669,058)	(287,500,578)	(143,279,398)	(1,324,972)	(1,536,006)	(1,780,652)	(435,421,605)
<b>Total Operating Projects</b>	<b>(17,623,659)</b>	<b>(15,491,542)</b>	<b>1,361,185</b>	<b>28,030,620</b>	<b>(3,723,397)</b>	<b>43,179,564</b>	<b>50,056,949</b>	<b>58,029,723</b>	<b>67,272,354</b>	<b>214,815,194</b>
Capital Project Renewals	3,825,841	4,151,085	6,626,141	27,838,533	42,441,600	23,208,806	26,905,368	31,190,695	36,158,564	159,905,034
Capital Project Upgrades	25,295,276	19,340,971	1,249,751	64,897,864	110,783,861	0	0	0	0	110,783,861
Capital Projects Growth	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Projects</b>	<b>29,121,117</b>	<b>23,492,055</b>	<b>7,875,892</b>	<b>92,736,397</b>	<b>153,225,461</b>	<b>23,208,806</b>	<b>26,905,368</b>	<b>31,190,695</b>	<b>36,158,564</b>	<b>270,688,895</b>
<b>Grand Total</b>	<b>11,497,457</b>	<b>8,000,513</b>	<b>9,237,077</b>	<b>120,767,017</b>	<b>149,502,064</b>	<b>66,388,371</b>	<b>76,962,317</b>	<b>89,220,419</b>	<b>103,430,918</b>	<b>485,504,088</b>

The above table shows the projected operational and capital expenditure for the 30 years of city housing activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of city housing activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## PROPERTY AND CORPORATE ASSETS

### Summary, profile, and level of service

We provide property management services to ensure the Council's civic and commercial buildings are safe, compliant, and fit for purpose for occupants and users. This function is delivered by the property management and advisory functions with support from contract management services. Our current levels of service are broadly meeting the needs of users, however this becomes increasingly challenging with ageing properties and the changing legislative and compliance requirements.

The corporate assets portfolio includes IT infrastructure systems, fleet, security, and a range of other minor capital items.

## Growth and demand

Growth in corporate property services is primarily driven by changes in the Council's own strategies and property requirements; this would usually relate to changing accommodation requirements for business units and CCO services. Possible areas of service growth include incorporating Wellington Waterfront assets into the portfolio and any integration of Council functions across the region.

## Major issues and risks

ISSUE/RISK	OPTIONS TO ADDRESS ISSUE/RISK
Asset condition data collection and analysis needs to improve to support asset management decision making.	<p>The Council's new strategic asset management unit will provide increased data assessment and asset management capability for our assets.</p> <p>This will assist corporate property services to determine how best to utilise and maintain its assets and optimise the delivery of its service.</p>
Current workplace is dated and does not support contemporary working or the Council's need for a flexible, mobile, future-focussed working environment.	<p>The Workplace Project is part of the wider Civic Precinct Development Project. Its key objectives are to:</p> <ul style="list-style-type: none"> <li>• modernise our workplace to increase flexibility and improve collaboration</li> <li>• reduce the total floor space we occupy in the Civic Campus</li> <li>• assess whether there are any consequential development opportunities for the Administration Buildings.</li> </ul>
Legislative and compliance changes that will likely have a significant impact on risk profiles and health and safety processes.	A full legal and procedures review is required to understand the new requirements and implications of the new Health and Safety in Employment Act.
Earthquake strengthening requirements will impact on funding and our ability to maintain service levels for building occupiers and users.	Strengthening options for the Town Hall and other Civic Campus buildings are being considered under the Civic Precinct Development Project.
IT investment priorities to support the changing business environment.	The rationalisation of systems across the Council to accommodate the new Core Council Application Platform may impact on the specific Corporate Property data collection and reporting requirements. Ensure property requirements are considered within the wider Council requirements.

## Most likely scenario for service

Generally our current levels of service will be maintained, however the portfolio's ageing profile and earthquake strengthening requirements mean we need to critically review our asset condition data and renewal cycles to ensure we optimise the funding available.

The Civic Precinct Development proposal will have a significant impact on occupants of the Civic Campus This project seeks to find a solution that addresses the earthquake strengthening requirements across the campus, modernises our workplace, releases sites for development, and revitalises the Civic Square public space. Maintaining service levels within the Civic Campus assets will continue to be a challenge until the future state of each of the buildings/sites is resolved.

Investment in IT solutions will enable the Council to effectively and efficiently deliver its core services and enable us to respond to future change.

## Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

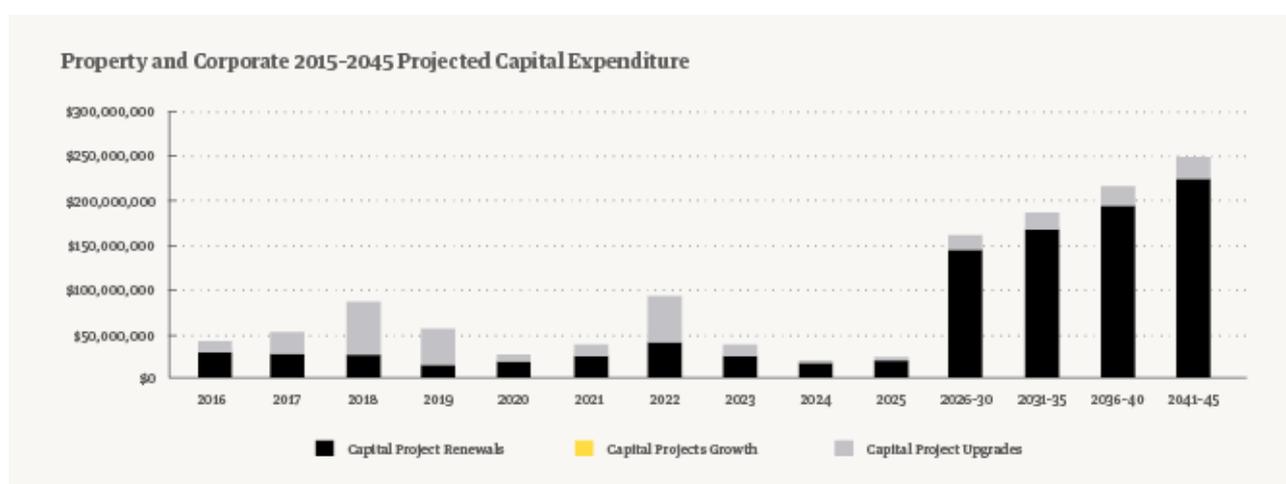
- Civic Precinct Development proposal
- Capital Investment in our IT infrastructure.

## Scenario/service cost

### Property and Corporate 2015-45

DESCRIPTION	2016	2017	2018	2019-2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 YEAR FINANCIALS
Operating expenditure	777,348	2,924,037	3,683,303	12,312,635	19,697,323	8,761,552	10,157,040	11,774,793	13,650,213	64,040,921
Stewardship [depreciation]	2,873,601	3,635,182	5,947,658	101,532,606	113,989,047	89,881,780	104,197,617	120,793,596	139,560,588	568,422,628
Income										
<b>Total Operating Projects</b>	<b>3,650,949</b>	<b>6,559,220</b>	<b>9,630,961</b>	<b>113,845,241</b>	<b>133,686,370</b>	<b>98,643,332</b>	<b>114,354,657</b>	<b>132,568,390</b>	<b>153,210,801</b>	<b>632,463,550</b>
Capital Project Renewals	28,062,307	27,076,073	25,326,689	154,846,499	235,311,568	144,399,388	167,398,467	194,060,702	224,969,541	966,139,665
Capital Project Upgrades	12,157,616	24,538,599	60,612,121	131,607,988	228,916,324	16,353,759	18,958,488	21,978,084	25,478,623	311,685,278
Capital Projects Growth										
<b>Total Capital Projects</b>	<b>40,219,923</b>	<b>51,614,672</b>	<b>85,938,810</b>	<b>286,454,487</b>	<b>464,227,892</b>	<b>160,753,146</b>	<b>186,356,955</b>	<b>216,038,786</b>	<b>250,448,164</b>	<b>1,277,824,944</b>
<b>Grand Total</b>	<b>43,870,871</b>	<b>58,173,892</b>	<b>95,569,771</b>	<b>400,299,728</b>	<b>597,914,262</b>	<b>259,396,478</b>	<b>300,711,612</b>	<b>348,607,176</b>	<b>403,658,965</b>	<b>1,910,288,493</b>

The above table shows the projected operational and capital expenditure for the 30 years of property and corporate activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of property and corporate activity. This is followed by the projected capital expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

## STRATEGY DEVELOPMENT AND REVIEW

The 30IS will be reviewed in each Long-term Plan triennium. Our 30IS will evolve and develop as our infrastructure management capability evolves. As the quality of our information and analytics improves the understanding of our assets, levels of service, and demand for those services, we will focus our infrastructure strategies, planning, and outcomes.

The horizon for our strategy will be held at a 30-year constant for each iteration; as the strategy develops, the legacy of changes will be quantified in the document. In theory, there should be continuity across 30IS development cycles and it should be possible to pick up our 30IS years later and see a clear and concise pathway of its progression. In practice, this would encompass:

- A review of any material changes in principle, direction and focus of the strategy
- A synopsis of the drivers for those changes, both internal and external
- A structure highlighting the continuity of one iteration of the strategy to the next.

# Funding Impact Statements

## WHOLE OF COUNCIL

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	134,936	152,004	17,068		161,126	172,610	187,058	195,515	205,605	214,796	225,115	234,204	239,439
Targeted rates	120,330	118,903	(1,427)		122,801	129,872	137,561	143,115	150,705	155,859	160,117	169,671	175,531
Subsidies and grants for operating purposes	7,714	6,485	(1,229)		6,684	6,942	6,261	6,386	6,563	6,721	6,881	7,050	7,227
Fees and charges	120,687	122,218	1,531		125,481	128,271	131,033	134,611	136,152	136,665	140,534	143,375	146,617
Interest and dividends from investments	11,044	11,013	(31)		11,013	11,113	10,513	11,513	14,222	17,571	17,515	20,060	21,307
Local authorities fuel tax, fines, infringement fees, and other receipts	9,541	9,255	(286)		9,517	9,679	9,827	9,980	10,149	10,336	10,533	10,741	10,984
<b>Total operating funding (A)</b>	<b>404,252</b>	<b>419,878</b>	<b>15,626</b>		<b>436,622</b>	<b>458,487</b>	<b>482,253</b>	<b>501,120</b>	<b>523,396</b>	<b>541,948</b>	<b>560,695</b>	<b>585,101</b>	<b>601,105</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	269,637	280,484	10,847	1	285,730	289,293	302,434	312,699	321,050	332,205	342,673	353,308	365,235
Finance costs	23,041	22,961	(80)		26,498	32,365	36,868	38,926	40,453	43,602	47,956	53,549	55,946
Internal charges and overheads applied	-	-	-		-	-	-	-	-	-	-	-	-
Other operating funding applications	28,958	35,850	6,892	1	44,114	43,112	35,969	38,524	42,084	44,680	45,138	45,652	46,184
<b>Total applications of operating funding (B)</b>	<b>321,636</b>	<b>339,295</b>	<b>17,659</b>		<b>356,342</b>	<b>364,770</b>	<b>375,271</b>	<b>390,149</b>	<b>403,587</b>	<b>420,487</b>	<b>435,767</b>	<b>452,509</b>	<b>467,365</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>82,616</b>	<b>80,583</b>	<b>(2,033)</b>		<b>80,280</b>	<b>93,717</b>	<b>106,982</b>	<b>110,971</b>	<b>119,809</b>	<b>121,461</b>	<b>124,928</b>	<b>132,592</b>	<b>133,740</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	43,375	36,026	(7,349)	1	35,376	21,637	15,186	12,885	13,768	14,154	14,459	14,723	15,600
Development and financial contributions	2,000	2,000	-		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Increase (decrease) in debt	48,402	41,399	(7,003)		75,701	78,186	53,454	12,872	14,843	81,554	30,240	16,899	26,544
Gross proceeds from sales of assets	4,050	2,650	(1,400)		7,600	18,350	9,500	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>97,827</b>	<b>82,075</b>	<b>(15,752)</b>		<b>120,677</b>	<b>120,173</b>	<b>80,140</b>	<b>29,757</b>	<b>32,611</b>	<b>99,708</b>	<b>48,699</b>	<b>35,622</b>	<b>46,144</b>
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	2,558	2,597	39		1,909	8,126	2,867	6,363	4,506	9,700	7,298	9,086	3,052
- to improve the level of service	69,965	62,680	(7,285)	2	89,000	104,294	88,760	48,065	49,497	119,721	70,945	68,371	66,198
- to replace existing assets	79,480	93,169	13,689	2	81,613	93,876	90,721	83,046	96,143	90,146	94,261	90,092	110,407
Increase (decrease) in reserves	28,440	4,212	(24,228)	2	28,435	7,594	4,774	3,255	2,274	1,602	1,123	665	227
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>180,443</b>	<b>162,658</b>	<b>(17,785)</b>		<b>200,957</b>	<b>213,890</b>	<b>187,122</b>	<b>140,729</b>	<b>152,420</b>	<b>221,169</b>	<b>173,627</b>	<b>168,214</b>	<b>179,884</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(82,616)</b>	<b>(80,583)</b>	<b>2,033</b>		<b>(80,280)</b>	<b>(93,717)</b>	<b>(106,982)</b>	<b>(110,971)</b>	<b>(119,809)</b>	<b>(121,461)</b>	<b>(124,928)</b>	<b>(132,592)</b>	<b>(133,740)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>(0)</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>102,165</b>	<b>99,797</b>	<b>(2,368)</b>		<b>102,250</b>	<b>108,742</b>	<b>114,681</b>	<b>116,963</b>	<b>124,694</b>	<b>128,634</b>	<b>131,158</b>	<b>139,648</b>	<b>143,188</b>

Notes to variances:

1. Decrease in crown funding between 14/15 and 15/16 for the Housing upgrade project offset by an increase in NZTA funding between 2014/15 and 2015/16.
2. Variances for these items can be found in the Funding Impact Statement for each activity over the following 18 pages.

## 1.1 GOVERNANCE, INFORMATION AND ENGAGEMENT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	14,214	16,587	2,373		17,417	17,175	18,153	19,299	19,236	19,802	20,686	20,232	20,929
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	565	508	(57)		889	528	539	945	562	575	1,012	603	619
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>14,779</b>	<b>17,095</b>	<b>2,316</b>		<b>18,306</b>	<b>17,703</b>	<b>18,692</b>	<b>20,244</b>	<b>19,798</b>	<b>20,377</b>	<b>21,698</b>	<b>20,835</b>	<b>21,548</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	7,820	9,713	1,893	1	10,758	10,100	10,435	11,548	10,857	11,263	12,492	11,813	12,199
Finance costs	15	16	1		18	21	26	28	30	32	35	41	43
Internal charges and overheads applied	6,570	7,308	738	2	7,481	7,517	8,167	8,613	8,846	9,031	9,122	8,933	9,258
Other operating funding applications	313	10	(303)	3	10	10	10	10	10	10	10	10	10
<b>Total applications of operating funding (B)</b>	<b>14,718</b>	<b>17,047</b>	<b>2,329</b>		<b>18,267</b>	<b>17,648</b>	<b>18,638</b>	<b>20,199</b>	<b>19,743</b>	<b>20,336</b>	<b>21,659</b>	<b>20,797</b>	<b>21,510</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>61</b>	<b>48</b>	<b>(13)</b>		<b>39</b>	<b>55</b>	<b>54</b>	<b>45</b>	<b>55</b>	<b>41</b>	<b>39</b>	<b>38</b>	<b>38</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(61)	(48)	13		77	(55)	(54)	81	(55)	(41)	99	(38)	(38)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(61)</b>	<b>(48)</b>	<b>13</b>		<b>77</b>	<b>(55)</b>	<b>(54)</b>	<b>81</b>	<b>(55)</b>	<b>(41)</b>	<b>99</b>	<b>(38)</b>	<b>(38)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-		116	-	-	126	-	-	138	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>116</b>	<b>-</b>	<b>-</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>138</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(61)</b>	<b>(48)</b>	<b>13</b>		<b>(39)</b>	<b>(55)</b>	<b>(54)</b>	<b>(45)</b>	<b>(55)</b>	<b>(41)</b>	<b>(39)</b>	<b>(38)</b>	<b>(38)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>61</b>	<b>48</b>	<b>(13)</b>		<b>39</b>	<b>55</b>	<b>54</b>	<b>45</b>	<b>55</b>	<b>41</b>	<b>39</b>	<b>38</b>	<b>38</b>

Notes to variances:

1. Costs of \$1m have been transferred out of Activity 3.1 to Activity 1.1 to better represent the nature of the projects, plus reclassification of costs in the Land Information project from Activity 10.1 to Activity 1.1 \$500k.
2. Increased cost of this activity attracts a higher allocation of corporate overheads.
3. Funding for the Smart Energy Capital initiative has been moved to Activity 2.2.

## 1.2 MĀORI AND MANA WHENUA PARTNERSHIPS

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	225	281	56		288	296	304	312	321	330	340	352	365
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-		-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>225</b>	<b>281</b>	<b>56</b>		<b>288</b>	<b>296</b>	<b>304</b>	<b>312</b>	<b>321</b>	<b>330</b>	<b>340</b>	<b>352</b>	<b>365</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	214	267	53		274	281	289	298	306	316	326	337	350
Finance costs	1	1	-		1	1	1	-	-	-	-	-	-
Internal charges and overheads applied	8	11	3		11	12	12	12	13	13	13	14	14
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>223</b>	<b>279</b>	<b>56</b>		<b>286</b>	<b>294</b>	<b>302</b>	<b>310</b>	<b>319</b>	<b>329</b>	<b>339</b>	<b>351</b>	<b>364</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>2</b>	<b>2</b>	<b>-</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(2)	(2)	-		(2)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(2)</b>	<b>(2)</b>	<b>-</b>		<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	-	-	-		-	-	-	-	-	-	-	-	-
<b>Surplus (deficit) of capital funding (C - D)</b>	(2)	(2)	-		(2)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
<b>Funding balance ((A - B) + (C - D))</b>	-	-	-		-	-	-	-	-	-	-	-	-
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>2</b>	<b>2</b>	-		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

## 2.1 GARDENS, BEACHES AND GREEN OPEN SPACES

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	27,267	30,360	3,093		31,414	32,087	34,069	35,545	36,163	37,067	38,467	39,871	41,217
Targeted rates	632	-	(632)		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	671	699	28		731	764	800	820	843	868	889	910	933
Fees and charges	1,314	1,437	123		1,465	1,494	1,525	1,557	1,591	1,629	1,667	1,708	1,751
Internal charges and overheads recovered	5,101	5,111	10		5,203	5,311	5,418	5,536	5,658	5,791	5,934	6,088	6,251
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>34,985</b>	<b>37,607</b>	<b>2,622</b>		<b>38,813</b>	<b>39,656</b>	<b>41,812</b>	<b>43,458</b>	<b>44,255</b>	<b>45,355</b>	<b>46,957</b>	<b>48,577</b>	<b>50,152</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	17,767	19,285	1,518	1	20,088	20,249	21,168	22,022	22,348	23,086	23,770	24,439	25,270
Finance costs	1,834	1,993	159		2,250	2,716	3,248	3,536	3,767	3,974	4,307	5,008	5,272
Internal charges and overheads applied	11,520	12,281	761	2	12,438	12,635	13,335	13,740	14,015	14,192	14,620	14,871	15,195
Other operating funding applications	100	120	20		121	101	101	102	102	102	103	103	103
<b>Total applications of operating funding (B)</b>	<b>31,221</b>	<b>33,679</b>	<b>2,458</b>		<b>34,897</b>	<b>35,701</b>	<b>37,852</b>	<b>39,400</b>	<b>40,232</b>	<b>41,354</b>	<b>42,800</b>	<b>44,421</b>	<b>45,840</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>3,764</b>	<b>3,928</b>	<b>164</b>		<b>3,916</b>	<b>3,955</b>	<b>3,960</b>	<b>4,058</b>	<b>4,023</b>	<b>4,001</b>	<b>4,157</b>	<b>4,156</b>	<b>4,312</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	620	650	30		-	50	600	150	507	507	507	507	507
Development and financial contributions	183	183	-		183	183	183	183	183	183	183	183	183
Increase (decrease) in debt	(1,562)	(2,129)	(567)		(1,432)	(315)	(1,606)	(1,898)	(1,180)	3,367	(1,963)	(1,795)	(679)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(759)</b>	<b>(1,296)</b>	<b>(537)</b>		<b>(1,249)</b>	<b>(82)</b>	<b>(823)</b>	<b>(1,565)</b>	<b>(490)</b>	<b>4,057</b>	<b>(1,273)</b>	<b>(1,105)</b>	<b>11</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	34	70	36		82	395	37	38	39	4,070	42	43	45
- to improve the level of service	1,180	1,121	(59)		878	1,082	1,238	482	1,026	1,156	962	995	1,031
- to replace existing assets	1,791	1,441	(350)	3	1,707	2,396	1,862	1,973	2,468	2,832	1,880	2,013	3,247
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,005</b>	<b>2,632</b>	<b>(373)</b>		<b>2,667</b>	<b>3,873</b>	<b>3,137</b>	<b>2,493</b>	<b>3,533</b>	<b>8,058</b>	<b>2,884</b>	<b>3,051</b>	<b>4,323</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(3,764)</b>	<b>(3,928)</b>	<b>(164)</b>		<b>(3,916)</b>	<b>(3,955)</b>	<b>(3,960)</b>	<b>(4,058)</b>	<b>(4,023)</b>	<b>(4,001)</b>	<b>(4,157)</b>	<b>(4,156)</b>	<b>(4,312)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>4,042</b>	<b>3,928</b>	<b>(114)</b>		<b>3,916</b>	<b>3,955</b>	<b>3,960</b>	<b>4,058</b>	<b>4,023</b>	<b>4,001</b>	<b>4,157</b>	<b>4,156</b>	<b>4,312</b>

Notes to variances:

1. After an unsuccessful trial period, Council has agreed not to replace the current public rubbish bin system, which was originally expected to provide savings of \$500k per annum. Additionally, \$350k is due to the redevelopment of the Lyall Bay Surf Club, which will now be funded by the use of prior year surpluses. Budget increased by \$100k for the maintenance of the Pukeahu National War Memorial.
2. Increased cost of this activity attracts a higher allocation of corporate overheads.
3. Reduced budget in 2015/16 due to the completion in 2014/15 of renovations to the caretaker's house at Otari-Wilton's Bush, and refurbishment of the baithouse at Greta Point.

## 2.2 WASTE REDUCTION AND ENERGY CONSERVATION

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	404	764	360		729	499	564	626	658	1,324	974	1,091	1,098
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	12,926	12,876	(50)		13,353	13,599	13,767	14,040	14,405	14,320	15,009	15,366	15,833
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>13,330</b>	<b>13,640</b>	<b>310</b>		<b>14,082</b>	<b>14,098</b>	<b>14,331</b>	<b>14,666</b>	<b>15,063</b>	<b>15,644</b>	<b>15,983</b>	<b>16,457</b>	<b>16,931</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	11,873	12,126	253	1	12,552	12,814	13,158	13,528	13,910	14,408	14,803	15,311	15,847
Finance costs	1,005	877	(128)		774	663	468	442	416	495	482	474	419
Internal charges and overheads applied	(112)	56	168		42	25	107	128	146	134	109	75	62
Other operating funding applications	5	255	250	2	255	105	105	105	105	105	105	105	105
<b>Total applications of operating funding (B)</b>	<b>12,771</b>	<b>13,314</b>	<b>543</b>		<b>13,623</b>	<b>13,607</b>	<b>13,838</b>	<b>14,203</b>	<b>14,577</b>	<b>15,142</b>	<b>15,499</b>	<b>15,965</b>	<b>16,433</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>559</b>	<b>326</b>	<b>(233)</b>		<b>459</b>	<b>491</b>	<b>493</b>	<b>463</b>	<b>486</b>	<b>502</b>	<b>484</b>	<b>492</b>	<b>498</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	217	912	695		773	5,391	7,837	508	444	140	178	193	211
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>217</b>	<b>912</b>	<b>695</b>		<b>773</b>	<b>5,391</b>	<b>7,837</b>	<b>508</b>	<b>444</b>	<b>140</b>	<b>178</b>	<b>193</b>	<b>211</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	67	-	(67)		-	-	-	-	-	-	-	-	-
- to replace existing assets	709	1,238	529	3	1,232	5,882	8,330	971	930	642	662	685	709
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>776</b>	<b>1,238</b>	<b>462</b>		<b>1,232</b>	<b>5,882</b>	<b>8,330</b>	<b>971</b>	<b>930</b>	<b>642</b>	<b>662</b>	<b>685</b>	<b>709</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(559)</b>	<b>(326)</b>	<b>233</b>		<b>(459)</b>	<b>(491)</b>	<b>(493)</b>	<b>(463)</b>	<b>(486)</b>	<b>(502)</b>	<b>(484)</b>	<b>(492)</b>	<b>(498)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>435</b>	<b>326</b>	<b>(109)</b>		<b>459</b>	<b>491</b>	<b>493</b>	<b>463</b>	<b>486</b>	<b>502</b>	<b>484</b>	<b>492</b>	<b>498</b>

Notes to variances:

1. Costs have increased within this activity as a result of inflationary and other contractual pressures.
2. Funding for the Smart Energy Capital initiative has moved to this activity from Activity 1.1, and has been extended past the original 3-year funding period.
3. Increase due to a change of timing of renewals creating a higher level of scheduled asset replacements in 2015/16.

## 2.3 WATER

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates	39,287	38,291	(996)	1	39,932	42,493	45,083	47,666	51,801	54,184	55,653	59,282	61,115
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	33	35	2		35	36	37	38	38	39	40	41	42
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>39,320</b>	<b>38,326</b>	<b>(994)</b>		<b>39,967</b>	<b>42,529</b>	<b>45,120</b>	<b>47,704</b>	<b>51,839</b>	<b>54,223</b>	<b>55,693</b>	<b>59,323</b>	<b>61,157</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	21,547	22,501	954	2	23,971	25,234	27,364	29,729	32,580	34,843	36,086	37,799	39,546
Finance costs	2,104	2,100	(4)		2,310	2,712	3,153	3,329	3,434	3,501	3,654	4,084	4,119
Internal charges and overheads applied	1,522	1,443	(79)		1,386	1,406	1,478	1,513	1,550	1,584	1,615	1,651	1,695
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>25,173</b>	<b>26,044</b>	<b>871</b>		<b>27,667</b>	<b>29,352</b>	<b>31,995</b>	<b>34,571</b>	<b>37,564</b>	<b>39,928</b>	<b>41,355</b>	<b>43,534</b>	<b>45,360</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>14,147</b>	<b>12,282</b>	<b>(1,865)</b>		<b>12,300</b>	<b>13,177</b>	<b>13,125</b>	<b>13,133</b>	<b>14,275</b>	<b>14,295</b>	<b>14,338</b>	<b>15,789</b>	<b>15,797</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	671	671	-		671	671	671	671	671	671	671	671	671
Increase (decrease) in debt	(2,523)	3,999	6,522		1,964	1,562	6,523	7,578	4,583	8,585	11,438	3,559	6,422
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(1,852)</b>	<b>4,670</b>	<b>6,522</b>		<b>2,635</b>	<b>2,233</b>	<b>7,194</b>	<b>8,249</b>	<b>5,254</b>	<b>9,256</b>	<b>12,109</b>	<b>4,230</b>	<b>7,093</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	358	563	205		538	639	494	654	620	724	748	636	656
- to improve the level of service	2,833	3,038	205		4,206	5,187	7,271	7,497	7,083	10,835	11,297	6,316	6,527
- to replace existing assets	9,104	13,351	4,247	3	10,191	9,584	12,554	13,231	11,826	11,992	14,402	13,067	15,707
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>12,295</b>	<b>16,952</b>	<b>4,657</b>		<b>14,935</b>	<b>15,410</b>	<b>20,319</b>	<b>21,382</b>	<b>19,529</b>	<b>23,551</b>	<b>26,447</b>	<b>20,019</b>	<b>22,890</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(14,147)</b>	<b>(12,282)</b>	<b>1,865</b>		<b>(12,300)</b>	<b>(13,177)</b>	<b>(13,125)</b>	<b>(13,133)</b>	<b>(14,275)</b>	<b>(14,295)</b>	<b>(14,338)</b>	<b>(15,789)</b>	<b>(15,797)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>14,739</b>	<b>12,282</b>	<b>(2,457)</b>		<b>12,300</b>	<b>13,177</b>	<b>13,125</b>	<b>13,133</b>	<b>14,275</b>	<b>14,295</b>	<b>14,338</b>	<b>15,789</b>	<b>15,797</b>

Notes to variances:

1. Water network costs have reduced resulting in funding required from collection of water rates.
2. Greater Wellington Regional Council bulk water charges have increased 5% from last year's budget.
3. The availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend. This has changed the timing of the asset replacement programme.

## 2.4 WASTEWATER

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates	36,257	37,425	1,168		38,694	40,857	42,576	44,273	46,693	48,297	50,075	53,404	55,250
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	1,227	1,233	6		1,256	1,281	1,308	1,335	1,364	1,396	1,430	1,464	1,501
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>37,484</b>	<b>38,658</b>	<b>1,174</b>		<b>39,950</b>	<b>42,138</b>	<b>43,884</b>	<b>45,608</b>	<b>48,057</b>	<b>49,693</b>	<b>51,505</b>	<b>54,868</b>	<b>56,751</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	21,070	21,117	47		22,158	23,178	24,322	25,674	26,941	28,403	29,911	31,537	33,211
Finance costs	3,577	3,741	164		4,033	4,372	4,756	4,993	5,076	5,128	5,324	5,740	5,782
Internal charges and overheads applied	3,541	3,525	(16)		3,473	3,533	3,694	3,788	3,885	3,982	4,074	4,178	4,299
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>28,188</b>	<b>28,383</b>	<b>195</b>		<b>29,664</b>	<b>31,083</b>	<b>32,772</b>	<b>34,455</b>	<b>35,902</b>	<b>37,513</b>	<b>39,309</b>	<b>41,455</b>	<b>43,292</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>9,296</b>	<b>10,275</b>	<b>979</b>		<b>10,286</b>	<b>11,055</b>	<b>11,112</b>	<b>11,153</b>	<b>12,155</b>	<b>12,180</b>	<b>12,196</b>	<b>13,413</b>	<b>13,459</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	549	549	-		549	549	549	549	549	549	549	549	549
Increase (decrease) in debt	(2,100)	(343)	1,757		491	1,715	137	1,939	(2,015)	(2,243)	(838)	116	11,596
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(1,551)</b>	<b>206</b>	<b>1,757</b>		<b>1,040</b>	<b>2,264</b>	<b>686</b>	<b>2,488</b>	<b>(1,466)</b>	<b>(1,694)</b>	<b>(289)</b>	<b>665</b>	<b>12,145</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	172	223	51		230	319	315	364	314	320	353	395	530
- to improve the level of service	-	-	-		316	1,620	1,744	1,794	152	157	162	167	173
- to replace existing assets	7,573	10,258	2,685	1	10,780	11,380	9,739	11,483	10,223	10,009	11,392	13,516	24,901
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>7,745</b>	<b>10,481</b>	<b>2,736</b>		<b>11,326</b>	<b>13,319</b>	<b>11,798</b>	<b>13,641</b>	<b>10,689</b>	<b>10,486</b>	<b>11,907</b>	<b>14,078</b>	<b>25,604</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(9,296)</b>	<b>(10,275)</b>	<b>(979)</b>		<b>(10,286)</b>	<b>(11,055)</b>	<b>(11,112)</b>	<b>(11,153)</b>	<b>(12,155)</b>	<b>(12,180)</b>	<b>(12,196)</b>	<b>(13,413)</b>	<b>(13,459)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>13,416</b>	<b>13,428</b>	<b>12</b>		<b>13,439</b>	<b>14,439</b>	<b>14,496</b>	<b>14,537</b>	<b>15,817</b>	<b>15,818</b>	<b>15,830</b>	<b>17,395</b>	<b>17,441</b>

Notes to variances:

1. The availability and use of improved asset information and asset management systems, have resulted in better informed renewals spend. This has changed the timing of the asset replacement programme.

## 2.5 STORMWATER

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates	18,648	17,442	(1,206)		17,902	18,953	19,922	20,581	21,655	22,356	22,883	24,817	25,475
Subsidies and grants for operating purposes	120	136	16		142	148	154	157	160	164	168	172	177
Fees and charges	9	10	1		10	10	10	10	11	11	11	11	12
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>18,777</b>	<b>17,588</b>	<b>(1,189)</b>		<b>18,054</b>	<b>19,111</b>	<b>20,086</b>	<b>20,748</b>	<b>21,826</b>	<b>22,531</b>	<b>23,062</b>	<b>25,000</b>	<b>25,664</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	7,432	7,131	(301)	1	7,303	7,260	7,382	7,629	7,828	8,243	8,329	8,614	8,921
Finance costs	2,875	2,904	29		3,268	3,929	4,684	5,078	5,386	5,654	6,089	7,033	7,347
Internal charges and overheads applied	1,473	1,501	28		1,452	1,470	1,554	1,591	1,629	1,662	1,691	1,723	1,765
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>11,780</b>	<b>11,536</b>	<b>(244)</b>		<b>12,023</b>	<b>12,659</b>	<b>13,620</b>	<b>14,298</b>	<b>14,843</b>	<b>15,559</b>	<b>16,109</b>	<b>17,370</b>	<b>18,033</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>6,997</b>	<b>6,052</b>	<b>(945)</b>		<b>6,031</b>	<b>6,452</b>	<b>6,466</b>	<b>6,450</b>	<b>6,983</b>	<b>6,972</b>	<b>6,953</b>	<b>7,630</b>	<b>7,631</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	58	58	-		58	58	58	58	58	58	58	58	58
Increase (decrease) in debt	(2,801)	(1,654)	1,147		931	1,142	(2,455)	(1,265)	(1,473)	(2,360)	51	(216)	(1,425)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(2,743)</b>	<b>(1,596)</b>	<b>1,147</b>		<b>989</b>	<b>1,200</b>	<b>(2,397)</b>	<b>(1,207)</b>	<b>(1,415)</b>	<b>(2,302)</b>	<b>109</b>	<b>(158)</b>	<b>(1,367)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	106	161	55		237	243	157	178	194	190	221	230	227
- to improve the level of service	451	1,501	1,050	2	4,550	4,660	2,265	2,461	2,786	2,658	2,847	2,956	3,351
- to replace existing assets	3,697	2,794	(903)	3	2,233	2,749	1,647	2,604	2,588	1,822	3,994	4,286	2,686
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,254</b>	<b>4,456</b>	<b>202</b>		<b>7,020</b>	<b>7,652</b>	<b>4,069</b>	<b>5,243</b>	<b>5,568</b>	<b>4,670</b>	<b>7,062</b>	<b>7,472</b>	<b>6,264</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(6,997)</b>	<b>(6,052)</b>	<b>945</b>		<b>(6,031)</b>	<b>(6,452)</b>	<b>(6,466)</b>	<b>(6,450)</b>	<b>(6,983)</b>	<b>(6,972)</b>	<b>(6,953)</b>	<b>(7,630)</b>	<b>(7,631)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>6,997</b>	<b>6,052</b>	<b>(945)</b>		<b>6,031</b>	<b>6,452</b>	<b>6,466</b>	<b>6,450</b>	<b>6,983</b>	<b>6,972</b>	<b>6,953</b>	<b>7,630</b>	<b>7,631</b>

Notes to variances:

1. Costs have reduced due to lower insurance premiums.
2. Planned stormwater upgrade programme has been brought forward in the plan to better reflect the stormwater needs of the community.
3. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

## 2.6 CONSERVATION ATTRACTIONS

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	6,126	6,459	333		6,625	6,899	7,995	8,098	8,160	8,232	8,230	8,277	8,310
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-		-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>6,126</b>	<b>6,459</b>	<b>333</b>		<b>6,625</b>	<b>6,899</b>	<b>7,995</b>	<b>8,098</b>	<b>8,160</b>	<b>8,232</b>	<b>8,230</b>	<b>8,277</b>	<b>8,310</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	138	214	76		219	225	230	236	241	248	257	264	272
Finance costs	755	748	(7)		804	1,000	1,155	1,174	1,141	1,102	1,092	1,074	1,026
Internal charges and overheads applied	264	286	22		288	289	290	292	293	294	293	292	293
Other operating funding applications	3,632	3,689	57		3,759	9,832	3,914	4,001	4,091	4,195	4,302	4,423	4,549
<b>Total applications of operating funding (B)</b>	<b>4,789</b>	<b>4,937</b>	<b>148</b>		<b>5,070</b>	<b>11,346</b>	<b>5,589</b>	<b>5,703</b>	<b>5,766</b>	<b>5,839</b>	<b>5,944</b>	<b>6,053</b>	<b>6,140</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>1,337</b>	<b>1,522</b>	<b>185</b>		<b>1,555</b>	<b>(4,447)</b>	<b>2,406</b>	<b>2,395</b>	<b>2,394</b>	<b>2,393</b>	<b>2,286</b>	<b>2,224</b>	<b>2,170</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	129	126	(3)		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(672)	(332)	340		(738)	5,290	(1,552)	(1,507)	(1,472)	(1,453)	(1,316)	(1,222)	(1,133)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(543)</b>	<b>(206)</b>	<b>337</b>		<b>(738)</b>	<b>5,290</b>	<b>(1,552)</b>	<b>(1,507)</b>	<b>(1,472)</b>	<b>(1,453)</b>	<b>(1,316)</b>	<b>(1,222)</b>	<b>(1,133)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	516	516	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	278	800	522	1	817	843	854	888	922	940	970	1,002	1,037
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>794</b>	<b>1,316</b>	<b>522</b>		<b>817</b>	<b>843</b>	<b>854</b>	<b>888</b>	<b>922</b>	<b>940</b>	<b>970</b>	<b>1,002</b>	<b>1,037</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(1,337)</b>	<b>(1,522)</b>	<b>(185)</b>		<b>(1,555)</b>	<b>4,447</b>	<b>(2,406)</b>	<b>(2,395)</b>	<b>(2,394)</b>	<b>(2,393)</b>	<b>(2,286)</b>	<b>(2,224)</b>	<b>(2,170)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>1,337</b>	<b>1,522</b>	<b>185</b>		<b>1,555</b>	<b>1,553</b>	<b>1,523</b>	<b>1,512</b>	<b>1,511</b>	<b>1,510</b>	<b>1,403</b>	<b>1,341</b>	<b>1,287</b>

Notes to variances:

1. Increased costs due to a higher level of scheduled asset replacements in 2015/16.

### 3.1 CITY PROMOTIONS AND BUSINESS SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	5,207	4,610	(597)		5,104	7,948	11,100	13,458	15,720	19,687	22,984	23,891	24,415
Targeted rates	15,012	15,226	214		15,172	16,115	17,826	17,833	17,483	17,709	17,976	18,294	19,368
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	14,035	14,365	330		14,638	14,925	15,241	15,557	16,611	18,333	18,765	19,212	19,690
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>34,254</b>	<b>34,201</b>	<b>(53)</b>		<b>34,914</b>	<b>38,988</b>	<b>44,167</b>	<b>46,848</b>	<b>49,814</b>	<b>55,729</b>	<b>59,725</b>	<b>61,397</b>	<b>63,473</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	26,079	21,483	(4,596)	1	21,861	24,140	27,461	27,975	28,355	29,810	30,682	31,336	33,237
Finance costs	710	736	26		791	856	931	977	1,343	3,445	5,806	6,294	6,216
Internal charges and overheads applied	1,848	939	(909)		949	955	1,036	1,071	1,099	1,117	1,124	1,374	1,401
Other operating funding applications	7,553	12,248	4,695	1	17,048	12,298	12,548	14,715	16,882	19,048	19,048	19,048	19,048
<b>Total applications of operating funding (B)</b>	<b>36,190</b>	<b>35,406</b>	<b>(784)</b>		<b>40,649</b>	<b>38,249</b>	<b>41,976</b>	<b>44,738</b>	<b>47,679</b>	<b>53,420</b>	<b>56,660</b>	<b>58,052</b>	<b>59,902</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(1,936)</b>	<b>(1,205)</b>	<b>731</b>		<b>(5,735)</b>	<b>739</b>	<b>2,191</b>	<b>2,110</b>	<b>2,135</b>	<b>2,309</b>	<b>3,065</b>	<b>3,345</b>	<b>3,571</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,277	3,420	143		7,477	614	(1,730)	(300)	8,100	47,499	7,759	(2,564)	(1,468)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,277</b>	<b>3,420</b>	<b>143</b>		<b>7,477</b>	<b>614</b>	<b>(1,730)</b>	<b>(300)</b>	<b>8,100</b>	<b>47,499</b>	<b>7,759</b>	<b>(2,564)</b>	<b>(1,468)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	8,330	47,702	8,877	-	-
- to replace existing assets	1,341	2,215	874	2	1,742	1,353	461	1,810	1,905	2,106	1,947	781	2,103
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,341</b>	<b>2,215</b>	<b>874</b>		<b>1,742</b>	<b>1,353</b>	<b>461</b>	<b>1,810</b>	<b>10,235</b>	<b>49,808</b>	<b>10,824</b>	<b>781</b>	<b>2,103</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>1,936</b>	<b>1,205</b>	<b>(731)</b>		<b>5,735</b>	<b>(739)</b>	<b>(2,191)</b>	<b>(2,110)</b>	<b>(2,135)</b>	<b>(2,309)</b>	<b>(3,065)</b>	<b>(3,345)</b>	<b>(3,571)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>1,618</b>	<b>1,795</b>	<b>177</b>		<b>1,840</b>	<b>1,814</b>	<b>1,766</b>	<b>1,685</b>	<b>1,710</b>	<b>1,884</b>	<b>2,640</b>	<b>2,920</b>	<b>3,146</b>

Notes to variances:

1. Due to the creation of the Wellington Regional Economic Development Agency expenditure of \$3m has been reclassified into 'Other operating funding applications'. Costs of \$1m have been transferred from Activity 3.1 to Activity 1.1. Additional funding has also been added to the Events Fund for events such as the Festival of the Arts and Christmas celebrations.
2. Funding for the upgrade of the St James Theatre air conditioning system has been included in Year 1 of the Long-term Plan.

#### 4.1 ARTS AND CULTURE ACTIVITIES

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	11,947	13,008	1,061		13,325	13,769	13,788	13,665	13,874	14,145	14,426	14,708	15,066
Targeted rates	5,243	5,148	(95)		5,335	5,474	5,827	5,759	5,793	5,885	5,973	6,068	6,175
Subsidies and grants for operating purposes	430	410	(20)		417	426	435	444	453	464	475	487	499
Fees and charges	583	577	(6)		588	600	613	625	639	654	670	686	703
Internal charges and overheads recovered	72	-	(72)		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>18,275</b>	<b>19,143</b>	<b>868</b>		<b>19,665</b>	<b>20,269</b>	<b>20,663</b>	<b>20,493</b>	<b>20,759</b>	<b>21,148</b>	<b>21,544</b>	<b>21,949</b>	<b>22,443</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	3,510	4,072	562	1	4,162	4,269	4,329	3,889	3,996	4,115	4,242	4,380	4,526
Finance costs	211	276	65		289	574	860	883	864	844	850	834	811
Internal charges and overheads applied	1,049	1,024	(25)		1,057	1,075	1,161	1,215	1,252	1,277	1,281	1,273	1,314
Other operating funding applications	12,680	13,101	421	2	13,440	13,627	13,598	13,818	14,045	14,305	14,571	14,871	15,185
<b>Total applications of operating funding (B)</b>	<b>17,450</b>	<b>18,473</b>	<b>1,023</b>		<b>18,948</b>	<b>19,545</b>	<b>19,948</b>	<b>19,805</b>	<b>20,157</b>	<b>20,541</b>	<b>20,944</b>	<b>21,358</b>	<b>21,836</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>825</b>	<b>670</b>	<b>(155)</b>		<b>717</b>	<b>724</b>	<b>715</b>	<b>688</b>	<b>602</b>	<b>607</b>	<b>600</b>	<b>591</b>	<b>607</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	1,914	1,914		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(798)	(363)	435		(690)	9,311	(564)	(659)	(572)	(576)	(568)	(557)	(572)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(798)</b>	<b>1,551</b>	<b>2,349</b>		<b>(690)</b>	<b>9,311</b>	<b>(564)</b>	<b>(659)</b>	<b>(572)</b>	<b>(576)</b>	<b>(568)</b>	<b>(557)</b>	<b>(572)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	26	2,119	2,093	3	25	10,024	128	24	24	24	24	25	26
- to replace existing assets	1	102	101		2	11	23	5	6	7	8	9	9
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>27</b>	<b>2,221</b>	<b>2,194</b>		<b>27</b>	<b>10,035</b>	<b>151</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>32</b>	<b>34</b>	<b>35</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(825)</b>	<b>(670)</b>	<b>155</b>		<b>(717)</b>	<b>(724)</b>	<b>(715)</b>	<b>(688)</b>	<b>(602)</b>	<b>(607)</b>	<b>(600)</b>	<b>(591)</b>	<b>(607)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>825</b>	<b>670</b>	<b>(155)</b>		<b>717</b>	<b>724</b>	<b>715</b>	<b>688</b>	<b>602</b>	<b>607</b>	<b>600</b>	<b>591</b>	<b>607</b>

Notes to variances:

1. Grant of for \$500k per year for 4 years to fund 'The Great War Exhibition' to commemorate the 100th anniversary of each year of World War at the Dominion Museum.
2. Inflation adjustments plus grant funding increases to Orchestra Wellington of \$80k per year for the first three years of the plan, an additional \$100k per year to the Royal New Zealand Ballet for the next ten years, and an extra \$100k to support local arts projects through the Council's Arts and Culture Fund.
3. Funding for the upgrade of the Museum of Wellington City and Sea \$2m.

## 5.1 RECREATION PROMOTION AND SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	24,001	25,083	1,082		25,575	25,655	26,566	26,764	27,516	28,189	28,191	28,478	29,191
Targeted rates	1,039	1,088	49		1,214	1,341	1,498	1,871	1,916	2,034	2,067	2,112	2,255
Subsidies and grants for operating purposes	398	200	(198)		204	208	212	217	221	227	232	238	244
Fees and charges	11,483	11,547	64		11,847	12,002	12,352	12,669	12,579	13,024	13,400	13,831	14,248
Internal charges and overheads recovered	1,051	1,116	65		1,136	1,160	1,183	1,209	1,236	1,265	1,296	1,329	1,365
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>37,972</b>	<b>39,034</b>	<b>1,062</b>		<b>39,976</b>	<b>40,366</b>	<b>41,811</b>	<b>42,730</b>	<b>43,468</b>	<b>44,739</b>	<b>45,186</b>	<b>45,988</b>	<b>47,303</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	16,950	17,953	1,003	1	18,456	19,047	19,498	19,890	20,620	21,487	21,824	22,448	23,023
Finance costs	3,725	3,615	(110)		3,795	3,814	3,792	3,853	3,732	3,614	3,616	3,604	3,497
Internal charges and overheads applied	9,411	9,214	(197)		9,293	9,478	10,398	10,596	10,795	10,918	11,183	11,368	11,602
Other operating funding applications	650	663	13		678	694	712	731	751	774	797	824	851
<b>Total applications of operating funding (B)</b>	<b>30,736</b>	<b>31,445</b>	<b>709</b>		<b>32,222</b>	<b>33,033</b>	<b>34,400</b>	<b>35,070</b>	<b>35,898</b>	<b>36,793</b>	<b>37,420</b>	<b>38,244</b>	<b>38,973</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>7,236</b>	<b>7,589</b>	<b>353</b>		<b>7,754</b>	<b>7,333</b>	<b>7,411</b>	<b>7,660</b>	<b>7,570</b>	<b>7,946</b>	<b>7,766</b>	<b>7,744</b>	<b>8,330</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(4,215)	736	4,951		(340)	(1,644)	6,340	(3,989)	(2,437)	(1,957)	(3,606)	(4,271)	(4,373)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(4,215)</b>	<b>736</b>	<b>4,951</b>		<b>(340)</b>	<b>(1,644)</b>	<b>6,340</b>	<b>(3,989)</b>	<b>(2,437)</b>	<b>(1,957)</b>	<b>(3,606)</b>	<b>(4,271)</b>	<b>(4,373)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	123	-	(123)		-	-	-	-	-	-	-	-	-
- to improve the level of service	334	1,476	1,142	2	1,651	1,335	5,627	91	93	96	99	103	107
- to replace existing assets	2,564	6,849	4,285	3	5,763	4,354	8,124	3,580	5,040	5,893	4,061	3,370	3,850
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,021</b>	<b>8,325</b>	<b>5,304</b>		<b>7,414</b>	<b>5,689</b>	<b>13,751</b>	<b>3,671</b>	<b>5,133</b>	<b>5,989</b>	<b>4,160</b>	<b>3,473</b>	<b>3,957</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(7,236)</b>	<b>(7,589)</b>	<b>(353)</b>		<b>(7,754)</b>	<b>(7,333)</b>	<b>(7,411)</b>	<b>(7,660)</b>	<b>(7,570)</b>	<b>(7,946)</b>	<b>(7,766)</b>	<b>(7,744)</b>	<b>(8,330)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>7,324</b>	<b>7,589</b>	<b>265</b>		<b>7,754</b>	<b>7,333</b>	<b>7,411</b>	<b>7,660</b>	<b>7,570</b>	<b>7,946</b>	<b>7,766</b>	<b>7,744</b>	<b>8,330</b>

Notes to variances:

1. Variance due to inflationary uplift on 2014/15 Annual Plan, plus operational funding for Keith Spry Pool which is reopening on completion of refurbishment.
2. Funding approved for upgrades to the Wellington Regional Aquatic Centre \$627k, a commitment to contribute to the construction of an artificial turf at Karori Park \$350k, plus planning funding for a third artificial pitch at the National Hockey Stadium \$210k (construction to begin in Year 2 of the 2015-25 Long-term Plan).
3. Funding for the refurbishment at the Basin Reserve of the RA Vance Stand \$2m, plus associated Western Precinct development \$1.1m, both scheduled for Year 1 of the 2015-25 Long-term Plan. Also included is planned renewal of \$450k to the pier at the Evans Bay Marina, and \$350k of additional renewals over 2014/15 Annual Plan budget levels.

## 5.2 COMMUNITY SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	21,755	22,792	1,037		24,366	26,687	28,199	28,317	29,284	30,163	31,360	31,754	30,406
Targeted rates	4,179	4,250	71		4,519	4,606	4,796	5,099	5,331	5,361	5,457	5,661	5,860
Subsidies and grants for operating purposes	1,296	969	(327)		934	937	-	-	-	-	-	-	-
Fees and charges	22,057	22,869	812	1	23,557	25,428	25,932	26,882	26,976	25,413	26,013	26,641	27,302
Internal charges and overheads recovered	1,287	1,171	(116)		820	600	496	496	579	1,149	1,166	1,181	1,207
Local authorities fuel tax, fines, infringement fees, and other receipts	659	586	(73)		551	526	503	483	465	450	436	425	435
<b>Total operating funding (A)</b>	<b>51,233</b>	<b>52,637</b>	<b>1,404</b>		<b>54,747</b>	<b>58,784</b>	<b>59,926</b>	<b>61,277</b>	<b>62,635</b>	<b>62,536</b>	<b>64,432</b>	<b>65,662</b>	<b>65,210</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	26,166	26,470	304	2	26,304	26,914	27,356	28,101	28,961	30,350	31,203	32,502	33,427
Finance costs	(725)	(1,632)	(907)	3	(1,561)	(1,083)	(1,133)	(1,458)	(1,807)	(2,074)	(2,299)	(1,608)	(102)
Internal charges and overheads applied	10,410	11,542	1,132		11,968	12,392	13,375	13,840	14,268	14,583	14,542	13,748	14,094
Other operating funding applications	3,160	4,084	924	4	4,376	4,766	4,151	4,210	4,263	4,304	4,363	4,425	4,488
<b>Total applications of operating funding (B)</b>	<b>39,011</b>	<b>40,464</b>	<b>1,453</b>		<b>41,087</b>	<b>42,989</b>	<b>43,749</b>	<b>44,693</b>	<b>45,685</b>	<b>47,163</b>	<b>47,809</b>	<b>49,067</b>	<b>51,907</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>12,222</b>	<b>12,173</b>	<b>(49)</b>		<b>13,660</b>	<b>15,795</b>	<b>16,177</b>	<b>16,584</b>	<b>16,950</b>	<b>15,373</b>	<b>16,623</b>	<b>16,595</b>	<b>13,303</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	32,036	20,668	(11,368)		17,777	200	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(5,059)	(3,771)	1,288		18,931	5,025	(2,003)	(7,637)	(8,681)	(4,016)	(6,730)	14,501	22,636
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>26,977</b>	<b>16,897</b>	<b>(10,080)</b>		<b>36,708</b>	<b>5,225</b>	<b>(2,003)</b>	<b>(7,637)</b>	<b>(8,681)</b>	<b>(4,016)</b>	<b>(6,730)</b>	<b>14,501</b>	<b>22,636</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		822	1,270	-	-	-	-	-	-	-
- to improve the level of service	32,284	26,139	(6,145)	5	25,050	9,802	4,738	1,996	1,340	2,615	4,189	25,204	29,793
- to replace existing assets	6,915	8,763	1,848	6	6,719	9,748	9,436	6,951	6,929	8,742	5,704	5,892	6,146
Increase (decrease) in reserves	-	(5,832)	(5,832)		17,777	200	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>39,199</b>	<b>29,070</b>	<b>(10,129)</b>		<b>50,368</b>	<b>21,020</b>	<b>14,174</b>	<b>8,947</b>	<b>8,269</b>	<b>11,357</b>	<b>9,893</b>	<b>31,096</b>	<b>35,939</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(12,222)</b>	<b>(12,173)</b>	<b>49</b>		<b>(13,660)</b>	<b>(15,795)</b>	<b>(16,177)</b>	<b>(16,584)</b>	<b>(16,950)</b>	<b>(15,373)</b>	<b>(16,623)</b>	<b>(16,595)</b>	<b>(13,303)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>15,730</b>	<b>15,318</b>	<b>(412)</b>		<b>16,409</b>	<b>17,594</b>	<b>19,218</b>	<b>18,489</b>	<b>18,786</b>	<b>19,827</b>	<b>20,300</b>	<b>21,332</b>	<b>21,098</b>

Notes to variances:

1. Increase in budgeted revenue due to change in City Housing income assumption after revision of rental income model.
2. Cost increases due to inflationary pressures.
3. Deferring capital expenditure projects out of Year 1 of the 2015–25 Long-term Plan has reduced the interest cost.
4. Social and Recreation grants have increased over 2014/15 Annual Plan - additional funding for planning for the Alex Moore Park "Sportsville" concept \$120k plus additional funding for other community projects; homelessness \$60k, community centres \$100k.
5. Funding for City Housing projects has been rephased as the housing upgrade programme progresses.
6. City Housing projects rephased into years 1 & 2 of 2015–25 Long-term Plan. Library computer system renewal project scheduled for Year 1 2015–25 Long-term Plan \$2.6m, offset by City Housing renewal savings of \$700k.

### 5.3 PUBLIC HEALTH AND SAFETY

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	8,266	9,540	1,274		9,674	10,045	10,697	11,201	11,506	11,742	12,201	12,484	13,032
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	25	25	-		25	26	27	27	28	28	29	30	30
Fees and charges	3,962	3,993	31		4,109	4,189	4,236	4,324	4,404	4,507	4,615	4,726	4,845
Internal charges and overheads recovered	676	664	(12)		676	690	704	719	735	753	771	791	812
Local authorities fuel tax, fines, infringement fees, and other receipts	52	39	(13)		39	40	41	42	43	44	45	46	47
<b>Total operating funding (A)</b>	<b>12,981</b>	<b>14,261</b>	<b>1,280</b>		<b>14,523</b>	<b>14,990</b>	<b>15,705</b>	<b>16,313</b>	<b>16,716</b>	<b>17,074</b>	<b>17,661</b>	<b>18,077</b>	<b>18,766</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	8,284	9,012	728	1	9,098	9,438	9,651	10,030	10,265	10,467	10,804	11,150	11,571
Finance costs	76	91	15		100	118	138	147	152	156	166	188	193
Internal charges and overheads applied	3,980	4,386	406	2	4,479	4,528	4,882	5,049	5,178	5,240	5,371	5,414	5,564
Other operating funding applications	129	129	-		130	131	131	132	133	134	135	137	138
<b>Total applications of operating funding (B)</b>	<b>12,469</b>	<b>13,618</b>	<b>1,149</b>		<b>13,807</b>	<b>14,215</b>	<b>14,802</b>	<b>15,358</b>	<b>15,728</b>	<b>15,997</b>	<b>16,476</b>	<b>16,889</b>	<b>17,466</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>512</b>	<b>643</b>	<b>131</b>		<b>716</b>	<b>775</b>	<b>903</b>	<b>955</b>	<b>988</b>	<b>1,077</b>	<b>1,185</b>	<b>1,188</b>	<b>1,300</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	798	1,028	230		964	1,346	495	701	750	1,974	(12)	116	212
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>798</b>	<b>1,028</b>	<b>230</b>		<b>964</b>	<b>1,346</b>	<b>495</b>	<b>701</b>	<b>750</b>	<b>1,974</b>	<b>(12)</b>	<b>116</b>	<b>212</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	206	110	(96)		489	253	47	175	158	893	262	271	281
- to replace existing assets	1,104	1,561	457	3	1,191	1,868	1,351	1,481	1,580	2,158	911	1,033	1,231
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,310</b>	<b>1,671</b>	<b>361</b>		<b>1,680</b>	<b>2,121</b>	<b>1,398</b>	<b>1,656</b>	<b>1,738</b>	<b>3,051</b>	<b>1,173</b>	<b>1,304</b>	<b>1,512</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(512)</b>	<b>(643)</b>	<b>(131)</b>		<b>(716)</b>	<b>(775)</b>	<b>(903)</b>	<b>(955)</b>	<b>(988)</b>	<b>(1,077)</b>	<b>(1,185)</b>	<b>(1,188)</b>	<b>(1,300)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>527</b>	<b>643</b>	<b>116</b>		<b>716</b>	<b>775</b>	<b>903</b>	<b>955</b>	<b>988</b>	<b>1,077</b>	<b>1,185</b>	<b>1,188</b>	<b>1,300</b>

Notes to variances:

1. Inflationary cost increases, plus additional funding for the Safe City programme.
2. Increased cost of this activity attracts a higher allocation of corporate overheads.
3. Planned renewals funding for a new cremator to replace the existing plant at Karori Cemetery.

## 6.1 URBAN PLANNING, HERITAGE AND PUBLIC SPACES DEVELOPMENT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	7,098	6,896	(202)		7,343	6,937	6,584	6,478	6,580	6,717	6,833	6,959	7,141
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	3,922	20	(3,902)	1	20	21	21	22	22	23	23	24	24
Internal charges and overheads recovered	310	-	(310)		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>11,330</b>	<b>6,916</b>	<b>(4,414)</b>		<b>7,363</b>	<b>6,958</b>	<b>6,605</b>	<b>6,500</b>	<b>6,602</b>	<b>6,740</b>	<b>6,856</b>	<b>6,983</b>	<b>7,165</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	7,775	2,857	(4,918)	2	2,639	2,438	2,499	2,289	2,292	2,356	2,425	2,501	2,582
Finance costs	573	15	(558)		17	20	24	26	28	30	33	38	40
Internal charges and overheads applied	3,040	3,233	193		3,396	3,439	3,621	3,725	3,822	3,897	3,948	3,994	4,093
Other operating funding applications	490	800	310	3	1,300	1,050	450	450	450	450	450	450	450
<b>Total applications of operating funding (B)</b>	<b>11,878</b>	<b>6,905</b>	<b>(4,973)</b>		<b>7,352</b>	<b>6,947</b>	<b>6,594</b>	<b>6,490</b>	<b>6,592</b>	<b>6,733</b>	<b>6,856</b>	<b>6,983</b>	<b>7,165</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(548)</b>	<b>11</b>	<b>559</b>		<b>11</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,194	7,607	4,413		6,949	1,850	16,272	13,209	14,984	33,872	24,355	13,774	1,427
Gross proceeds from sales of assets	2,050	650	(1,400)		2,600	3,250	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>5,244</b>	<b>8,257</b>	<b>3,013</b>		<b>9,549</b>	<b>5,100</b>	<b>16,272</b>	<b>13,209</b>	<b>14,984</b>	<b>33,872</b>	<b>24,355</b>	<b>13,774</b>	<b>1,427</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	1,429	5,702	4,273	4	8,581	3,424	15,932	12,360	11,674	33,673	23,821	13,491	1,128
- to replace existing assets	3,267	2,566	(701)		979	1,687	351	859	3,320	206	534	283	299
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,696</b>	<b>8,268</b>	<b>3,572</b>		<b>9,560</b>	<b>5,111</b>	<b>16,283</b>	<b>13,219</b>	<b>14,994</b>	<b>33,879</b>	<b>24,355</b>	<b>13,774</b>	<b>1,427</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>548</b>	<b>(11)</b>	<b>(559)</b>		<b>(11)</b>	<b>(11)</b>	<b>(11)</b>	<b>(10)</b>	<b>(10)</b>	<b>(7)</b>	-	-	-
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>4,305</b>	<b>11</b>	<b>(4,294)</b>		<b>11</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>7</b>	-	-	-

Notes to variances:

1. Income for this activity has been reduced due to reclassification of \$1.25m of Waterfront parking services to Activity 7.2. Waterfront commercial property services has moved to Activity 10.1.
2. Waterfront Property Services costs have been moved into Activity 10.1 with other Council property management services.
3. Additional grant funding for Built Heritage Incentive Fund has been added to the first three years of the 2015-25 Long-term Plan, \$560k in Year 1 and \$600k in Years 2 and 3.
4. Funding for developing Frank Kitts Park and the Chinese Garden have been moved into Activity 6.1 from Activity 10.1.

## 6.2 BUILDING AND DEVELOPMENT CONTROL

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	7,319	9,449	2,130		9,538	9,893	10,736	11,139	11,340	11,566	11,621	11,604	12,011
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	12,655	12,027	(628)	1	12,159	11,908	12,160	12,412	12,687	12,985	13,294	13,615	13,959
Internal charges and overheads recovered	224	224	-		228	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	24	24	-		24	25	25	26	27	27	28	29	29
<b>Total operating funding (A)</b>	<b>20,222</b>	<b>21,724</b>	<b>1,502</b>		<b>21,949</b>	<b>21,826</b>	<b>22,921</b>	<b>23,577</b>	<b>24,054</b>	<b>24,578</b>	<b>24,943</b>	<b>25,248</b>	<b>25,999</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	12,991	12,655	(336)	2	12,700	12,538	12,808	13,100	13,292	13,625	13,979	14,363	14,771
Finance costs	-	3	3		3	2	1	-	-	-	-	-	-
Internal charges and overheads applied	6,971	8,761	1,790	3	8,939	8,979	9,820	10,295	10,616	10,811	10,821	10,740	11,082
Other operating funding applications	135	135	-		136	137	138	139	141	142	143	145	146
<b>Total applications of operating funding (B)</b>	<b>20,097</b>	<b>21,554</b>	<b>1,457</b>		<b>21,778</b>	<b>21,656</b>	<b>22,767</b>	<b>23,534</b>	<b>24,049</b>	<b>24,578</b>	<b>24,943</b>	<b>25,248</b>	<b>25,999</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>125</b>	<b>170</b>	<b>45</b>		<b>171</b>	<b>170</b>	<b>154</b>	<b>43</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	17,526	5,770	(11,756)		6,331	25,938	24,429	5,125	273	304	294	284	254
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>17,526</b>	<b>5,770</b>	<b>(11,756)</b>		<b>6,331</b>	<b>25,938</b>	<b>24,429</b>	<b>5,125</b>	<b>273</b>	<b>304</b>	<b>294</b>	<b>284</b>	<b>254</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	17,651	5,940	(11,711)	4	6,502	26,108	24,583	5,168	278	304	294	284	254
- to replace existing assets	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>17,651</b>	<b>5,940</b>	<b>(11,711)</b>		<b>6,502</b>	<b>26,108</b>	<b>24,583</b>	<b>5,168</b>	<b>278</b>	<b>304</b>	<b>294</b>	<b>284</b>	<b>254</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(125)</b>	<b>(170)</b>	<b>(45)</b>		<b>(171)</b>	<b>(170)</b>	<b>(154)</b>	<b>(43)</b>	<b>(5)</b>	-	-	-	-
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>125</b>	<b>170</b>	<b>45</b>		<b>171</b>	<b>170</b>	<b>154</b>	<b>43</b>	<b>5</b>	-	-	-	-

Notes to variances:

1. Income from providing building consent and compliance services to Christchurch City Council have been reforecasted down from previously projected levels.
2. Budgeted expenditure on external contractors has been reduced from the 2014/15 Annual Plan.
3. Increase of \$950k in information technology costs over 2014/15 Annual Plan as a result of improved asset information tracking plus increases in operational overheads.
4. After a Council review, earthquake strengthening projects have been merged into a wider programme of renewal and upgrade of the Civic Precinct. The Town Hall earthquake strengthening project is proposed to recommence in 2016/17 and be completed by 2019/20.

## 7.1 TRANSPORT

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	29,503	32,648	3,145		33,495	37,015	38,631	40,593	44,636	46,205	48,135	54,416	56,280
Targeted rates	33	33	-		33	33	33	33	33	33	33	33	33
Subsidies and grants for operating purposes	4,774	4,046	(728)	1	4,231	4,433	4,633	4,721	4,858	4,970	5,088	5,213	5,344
Fees and charges	2,100	2,042	(58)		2,080	2,121	2,166	2,211	2,260	2,313	2,368	2,425	2,487
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total operating funding (A)</b>	<b>36,410</b>	<b>38,769</b>	<b>2,359</b>		<b>39,839</b>	<b>43,602</b>	<b>45,463</b>	<b>47,558</b>	<b>51,787</b>	<b>53,521</b>	<b>55,624</b>	<b>62,087</b>	<b>64,144</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	12,530	12,189	(341)	2	11,919	12,253	12,009	12,368	12,863	13,288	13,778	14,310	14,874
Finance costs	4,774	5,169	395		5,771	6,854	8,020	8,651	9,092	9,468	10,082	11,432	11,715
Internal charges and overheads applied	5,785	6,093	308		6,260	6,317	6,687	6,896	7,065	7,213	7,316	7,434	7,629
Other operating funding applications	10	515	505	3	2,760	260	10	10	10	10	10	10	10
<b>Total applications of operating funding (B)</b>	<b>23,099</b>	<b>23,966</b>	<b>867</b>		<b>26,710</b>	<b>25,684</b>	<b>26,726</b>	<b>27,925</b>	<b>29,030</b>	<b>29,979</b>	<b>31,186</b>	<b>33,186</b>	<b>34,228</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>13,311</b>	<b>14,803</b>	<b>1,492</b>		<b>13,129</b>	<b>17,918</b>	<b>18,737</b>	<b>19,633</b>	<b>22,757</b>	<b>23,542</b>	<b>24,438</b>	<b>28,901</b>	<b>29,916</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	10,590	12,668	2,078		17,599	21,387	12,597	12,735	13,261	13,647	13,952	14,216	15,093
Development and financial contributions	539	539	-		539	539	539	539	539	539	539	539	539
Increase (decrease) in debt	13,272	10,563	(2,709)		9,557	13,184	11,284	10,130	15,709	8,480	16,665	9,700	9,306
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>24,401</b>	<b>23,770</b>	<b>(631)</b>		<b>27,695</b>	<b>35,110</b>	<b>24,420</b>	<b>23,404</b>	<b>29,509</b>	<b>22,666</b>	<b>31,156</b>	<b>24,455</b>	<b>24,938</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	1,765	1,580	(185)		-	5,260	1,864	5,129	3,339	4,396	5,934	7,782	1,594
- to improve the level of service	10,968	11,199	231		19,952	24,572	17,867	14,042	14,304	15,386	15,946	16,318	21,206
- to replace existing assets	24,979	25,794	815	4	20,872	23,196	23,426	23,866	34,623	26,426	33,714	29,256	32,054
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>37,712</b>	<b>38,573</b>	<b>861</b>		<b>40,824</b>	<b>53,028</b>	<b>43,157</b>	<b>43,037</b>	<b>52,266</b>	<b>46,208</b>	<b>55,594</b>	<b>53,356</b>	<b>54,854</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(13,311)</b>	<b>(14,803)</b>	<b>(1,492)</b>		<b>(13,129)</b>	<b>(17,918)</b>	<b>(18,737)</b>	<b>(19,633)</b>	<b>(22,757)</b>	<b>(23,542)</b>	<b>(24,438)</b>	<b>(28,901)</b>	<b>(29,916)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>22,285</b>	<b>22,646</b>	<b>361</b>		<b>23,012</b>	<b>25,292</b>	<b>26,204</b>	<b>26,987</b>	<b>30,088</b>	<b>30,937</b>	<b>31,912</b>	<b>36,334</b>	<b>37,333</b>

Notes to variances:

1. Reduction in income due to change in NZTA funding allocation.
2. Reduction in costs due to savings in insurance and street lighting.
3. Funding for cycleways planning \$250k, one month trials for \$180k for capped weekend bus fares during December 2015, \$75k to reduce off-peak student bus fares by 25%.
4. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend. This has changed the timing of the asset replacement programme.

## 7.2 PARKING

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	(14,086)	(14,051)	35		(15,056)	(15,442)	(15,501)	(15,514)	(15,514)	(15,570)	(15,563)	(15,499)	(15,455)
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	18,316	19,899	1,583	1	20,561	21,023	21,544	21,914	22,400	22,926	23,472	24,039	24,646
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	7,706	7,556	(150)		7,853	8,038	8,208	8,379	8,564	8,765	8,974	9,191	9,423
<b>Total operating funding (A)</b>	<b>11,936</b>	<b>13,404</b>	<b>1,468</b>		<b>13,358</b>	<b>13,619</b>	<b>14,251</b>	<b>14,779</b>	<b>15,450</b>	<b>16,121</b>	<b>16,883</b>	<b>17,731</b>	<b>18,614</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	9,850	10,346	496	2	10,589	10,776	11,066	11,344	11,649	11,997	12,357	12,778	13,203
Finance costs	17	479	462		581	770	865	953	1,223	1,505	1,798	2,090	2,383
Internal charges and overheads applied	1,593	1,987	394		2,003	2,013	2,244	2,326	2,394	2,435	2,442	2,443	2,500
Other operating funding applications	1	1	-		1	1	1	1	1	1	1	1	1
<b>Total applications of operating funding (B)</b>	<b>11,461</b>	<b>12,813</b>	<b>1,352</b>		<b>13,174</b>	<b>13,560</b>	<b>14,176</b>	<b>14,624</b>	<b>15,267</b>	<b>15,938</b>	<b>16,598</b>	<b>17,312</b>	<b>18,087</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>475</b>	<b>591</b>	<b>116</b>		<b>184</b>	<b>59</b>	<b>75</b>	<b>155</b>	<b>183</b>	<b>183</b>	<b>285</b>	<b>419</b>	<b>527</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(295)	858	1,153		312	239	904	23	(71)	1,084	1,022	935	875
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(295)</b>	<b>858</b>	<b>1,153</b>		<b>312</b>	<b>239</b>	<b>904</b>	<b>23</b>	<b>(71)</b>	<b>1,084</b>	<b>1,022</b>	<b>935</b>	<b>875</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	30	1,449	1,419	3	496	114	117	120	112	128	132	137	142
- to replace existing assets	150	-	(150)		-	184	862	58	-	1,139	1,175	1,217	1,260
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>180</b>	<b>1,449</b>	<b>1,269</b>		<b>496</b>	<b>298</b>	<b>979</b>	<b>178</b>	<b>112</b>	<b>1,267</b>	<b>1,307</b>	<b>1,354</b>	<b>1,402</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(475)</b>	<b>(591)</b>	<b>(116)</b>		<b>(184)</b>	<b>(59)</b>	<b>(75)</b>	<b>(155)</b>	<b>(183)</b>	<b>(183)</b>	<b>(285)</b>	<b>(419)</b>	<b>(527)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>475</b>	<b>591</b>	<b>116</b>		<b>184</b>	<b>59</b>	<b>75</b>	<b>155</b>	<b>183</b>	<b>183</b>	<b>285</b>	<b>419</b>	<b>527</b>

Notes to variances:

1. Waterfront parking services revenue of \$1.25m moved from Activity 6.1 to Activity 7.2.
2. Funding for Waterfront parking services moved from Activity 6.1 coupled with additional operational funding required to implement and operate the parking sensor service.
3. After a trial period, funding has been approved to install parking sensors across the city.

## 10.1 ORGANISATIONAL

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	(14,310)	(12,422)	1,888		(8,711)	(6,853)	(4,827)	(4,466)	(3,875)	(4,803)	(3,770)	(4,414)	(4,567)
Targeted rates	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees and charges	26,544	29,793	3,249		29,927	30,219	30,095	31,583	33,825	36,088	36,260	39,043	40,262
Internal charges and overheads recovered	35,734	34,577	(1,157)		33,786	34,130	34,675	35,297	36,062	36,862	37,774	38,749	39,811
Local authorities fuel tax, fines, infringement fees, and other receipts	1,100	1,050	(50)		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
<b>Total operating funding (A)</b>	<b>49,068</b>	<b>52,998</b>	<b>3,930</b>		<b>56,052</b>	<b>58,546</b>	<b>60,993</b>	<b>63,464</b>	<b>67,062</b>	<b>69,197</b>	<b>71,314</b>	<b>74,428</b>	<b>76,556</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	57,639	71,094	13,455	1	70,677	68,139	71,408	73,049	73,747	73,900	75,404	77,428	78,405
Finance costs	1,514	1,829	315		3,254	5,026	5,879	6,314	6,576	6,728	6,921	7,223	7,185
Internal charges and overheads applied	(24,418)	(30,727)	(6,309)		(33,066)	(34,172)	(39,385)	(41,433)	(42,596)	(42,563)	(42,624)	(41,387)	(42,414)
Other operating funding applications	100	100	-		100	100	100	100	1,100	1,100	1,100	1,100	1,100
<b>Total applications of operating funding (B)</b>	<b>34,835</b>	<b>42,296</b>	<b>7,461</b>		<b>40,965</b>	<b>39,093</b>	<b>38,002</b>	<b>38,030</b>	<b>38,827</b>	<b>39,165</b>	<b>40,801</b>	<b>44,364</b>	<b>44,276</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>14,233</b>	<b>10,702</b>	<b>(3,531)</b>		<b>15,087</b>	<b>19,453</b>	<b>22,991</b>	<b>25,434</b>	<b>28,235</b>	<b>30,032</b>	<b>30,513</b>	<b>30,064</b>	<b>32,280</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital expenditure	-	-	-		-	-	1,989	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	30,206	15,148	(15,058)		24,146	7,595	(10,801)	(9,165)	(12,042)	(11,104)	(16,587)	(15,615)	(16,706)
Gross proceeds from sales of assets	2,000	2,000	-		5,000	15,100	9,500	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>32,206</b>	<b>17,148</b>	<b>(15,058)</b>		<b>29,146</b>	<b>22,695</b>	<b>688</b>	<b>(7,165)</b>	<b>(10,042)</b>	<b>(9,104)</b>	<b>(14,587)</b>	<b>(13,615)</b>	<b>(14,706)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	1,990	2,370	380	2	16,304	16,113	7,203	1,855	2,137	4,094	2,033	2,104	2,179
- to replace existing assets	16,007	15,437	(570)	3	17,269	18,641	11,701	13,160	13,783	15,232	12,769	13,682	15,168
Increase (decrease) in reserves	28,442	10,043	(18,399)		10,660	7,394	4,775	3,254	2,273	1,602	1,124	663	227
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>46,439</b>	<b>27,850</b>	<b>(18,589)</b>		<b>44,233</b>	<b>42,148</b>	<b>23,679</b>	<b>18,269</b>	<b>18,193</b>	<b>20,928</b>	<b>15,926</b>	<b>16,449</b>	<b>17,574</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(14,233)</b>	<b>(10,702)</b>	<b>3,531</b>		<b>(15,087)</b>	<b>(19,453)</b>	<b>(22,991)</b>	<b>(25,434)</b>	<b>(28,235)</b>	<b>(30,032)</b>	<b>(30,513)</b>	<b>(30,064)</b>	<b>(32,280)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>								
<b>EXPENSES FOR THIS ACTIVITY GROUPING INCLUDE THE FOLLOWING DEPRECIATION/ AMORTISATION CHARGE</b>	<b>7,921</b>	<b>12,776</b>	<b>4,855</b>		<b>13,696</b>	<b>14,846</b>	<b>18,106</b>	<b>20,091</b>	<b>21,599</b>	<b>23,027</b>	<b>23,265</b>	<b>22,275</b>	<b>23,842</b>

Notes to variances:

- Increases due to Wellington Waterfront operations movement from Activity 6.1 to Activity 10.1 \$3.3m, funding Council self-insurance of \$1.5m for each year of the 2015-25 Long-term Plan, funding information technology programmes including a contribution to the regional shared services platform of \$3.4m. Costs associated with the earthquake strengthening and refurbishment of the civic campus including building maintenance and renting alternate accommodation for Council employees \$1.7m. Internal funding has increased for managing infrastructure projects \$1m, and staff training budgets of \$750k have been centralised into this activity from across Council.
- Funding increased for civic campus resilience and efficiency improvements.
- Budget reduced due to focus of work on civic campus buildings changing from renewal of facilities to building resilience upgrades.

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# Funding Impact Statement - Rating Mechanisms

## RATES

Rates are a property tax to fund local government activities. Rates are assessed under the Local Government (Rating) Act 2002 (the Act) on rating units in the Rating Information Database. Where rates requirements are allocated based on property value, the capital value of the property as assessed by the Council's valuation services provider will apply. The latest city-wide revaluation was carried out as at 1 September 2012. This revaluation remains effective for the 2015/16 rating year, except where subsequent maintenance valuations have been required under valuation rules or the Council's rating policies.

City-wide revaluations are performed every three years. The next city-wide revaluation will be carried out as at 1 September 2015 and will be effective for the 2016/17 rating year and the two consecutive rating years (subject again to subsequent maintenance valuations).

Policy objective:

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

## GENERAL RATES

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

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

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

## DIFFERENTIAL RATING CATEGORIES

### Base Differential

This includes:

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

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

### Commercial, Industrial and Business Differential

This includes:

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

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

## Differential Rating Category Conditions

Differential rating 2.8:1 Commercial: Base

- The differential apportionment for the commercial, industrial and business sector is 2.8 times the General rate per dollar of capital value payable by those properties incorporated under the Base (Residential) differential. No changes are proposed to the differential apportionment in 2015/16.
- The separated parts of a rating unit will be differentially rated where a part of the property is non-rateable or the property fits under one or more rating differential and either:
  - a) The total capital value of the rating unit is above \$800,000 or
  - b) Minority use(s) account for more than 30 percent of the total capital value of the rating unit.

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

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

## Uniform Annual General Charge

The Council does not assess a uniform annual general charge.

## NON-RATEABLE LAND

### Non-Rateable

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

### 50 Percent Non-Rateable

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

## TARGETED RATES

Targeted rates are set under section 16 of the Act.

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

### Sewerage Rate

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

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

The targeted Sewerage rate is calculated as follows:

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

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

*For rating units incorporated in the Base differential:*

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

## Water Rate

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

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

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

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

The targeted Water rate is calculated as follows:

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

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

Or

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

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

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

Or

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

## Stormwater Network Rate

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

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

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

The targeted Stormwater network rate is calculated as follows:

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

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

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

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

## Commercial, Industrial and Business Sector Targeted Rate

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

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

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

## Base Sector Targeted Rate

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

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

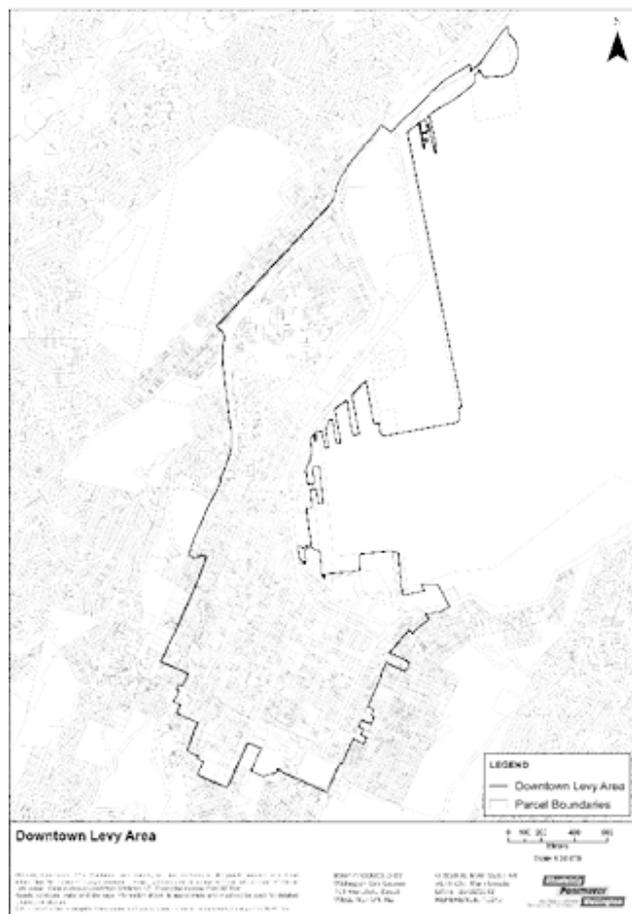
This rate is assessed on all properties incorporated under the Base differential rating category and is calculated on a rate per dollar of rateable capital value.

### Downtown Targeted Rate

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

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

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



### Tawa Driveways Targeted Rate

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

### Marsden Village Targeted Rate

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



**Miramar Business Improvement District Targeted Rate**

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

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

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

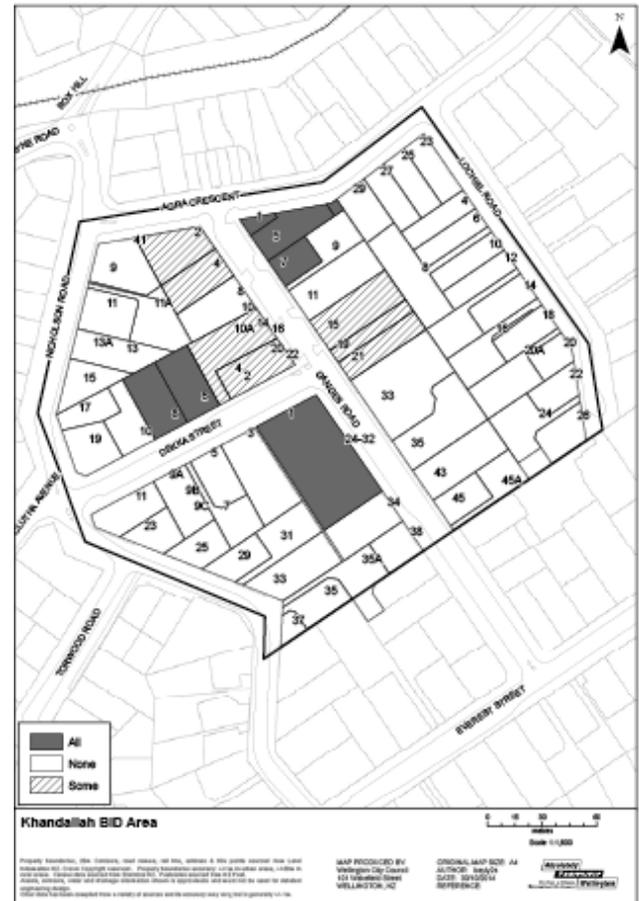


**Khandallah Business Improvement District Targeted Rate**

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

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

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



## INDICATIVE RATES

The following table shows the indicative residential and commercial property rates inclusive of GST for a selection of billing categories for 2015-16:

INDICATIVE RESIDENTIAL PROPERTY RATES (FOR PROPERTIES WITHOUT A WATER METER)			INDICATIVE SUBURBAN COMMERCIAL PROPERTY RATES (FOR PROPERTIES WITH A WATER METER). THIS EXCLUDES WATER BY CONSUMPTION WHICH IS CHARGED ON ACTUAL USAGE.			INDICATIVE DOWNTOWN COMMERCIAL PROPERTY RATES (FOR PROPERTIES WITH A WATER METER). THIS EXCLUDES WATER BY CONSUMPTION WHICH IS CHARGED ON ACTUAL USAGE.		
CAPITAL VALUES	2015/16 RATES	INCREASE OVER 2014/15	CAPITAL VALUES	2015/16 RATES	INCREASE OVER 2014/15	CAPITAL VALUES	2015/16 RATES	INCREASE OVER 2014/15
\$	\$	%	\$	\$	%	\$	\$	%
200,000	1,122	4.13%	1,000,000	9,995	6.67%	1,000,000	12,204	5.43%
300,000	1,542	4.53%	1,250,000	12,462	6.69%	1,250,000	15,222	5.44%
400,000	1,963	4.75%	1,500,000	14,928	6.70%	1,500,000	18,241	5.45%
500,000	2,383	4.90%	1,750,000	17,395	6.71%	1,750,000	21,260	5.45%
600,000	2,804	5.00%	2,000,000	19,862	6.72%	2,000,000	24,279	5.46%
700,000	3,224	5.08%	2,250,000	22,328	6.72%	2,250,000	27,297	5.46%
800,000	3,645	5.14%	2,500,000	24,795	6.73%	2,500,000	30,316	5.46%
900,000	4,065	5.18%	2,750,000	27,261	6.73%	2,750,000	33,335	5.47%
1,000,000	4,486	5.22%	3,000,000	29,728	6.73%	3,000,000	36,354	5.47%
1,100,000	4,906	5.25%	3,250,000	32,195	6.74%	3,250,000	39,372	5.47%
1,200,000	5,326	5.28%	3,500,000	34,661	6.74%	3,500,000	42,391	5.47%
1,300,000	5,747	5.30%	3,750,000	37,128	6.74%	3,750,000	45,410	5.47%
1,400,000	6,167	5.32%	4,000,000	39,594	6.74%	4,000,000	48,429	5.47%
1,500,000	6,588	5.34%	4,250,000	42,061	6.74%	4,250,000	51,447	5.47%
1,600,000	7,008	5.35%	4,500,000	44,528	6.74%	4,500,000	54,466	5.48%
1,700,000	7,429	5.37%	4,750,000	46,994	6.74%	4,750,000	57,485	5.48%
1,800,000	7,849	5.38%	5,000,000	49,461	6.75%	5,000,000	60,504	5.48%

## RATING UNIT PROJECTION

The following table shows the projected residential and commercial rating units over the period of the Long-term Plan:

RATING SECTOR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Base (Residential)	71,512	72,370	73,456	74,558	75,900	76,810	77,578	78,354	78,981	79,613
Commercial, Industrial & Business	5,376	5,441	5,522	5,605	5,706	5,774	5,832	5,890	5,937	5,985
<b>TOTAL RATEABLE UNITS</b>	<b>76,888</b>	<b>77,811</b>	<b>78,978</b>	<b>80,162</b>	<b>81,605</b>	<b>82,585</b>	<b>83,411</b>	<b>84,245</b>	<b>84,919</b>	<b>85,598</b>

## FUNDING IMPACT STATEMENT (EXCLUDING GST)

RATE	CATEGORY	FACTOR	DIFFERENTIAL CHARGE TYPE	TOTAL VALUE OF FACTOR	RATE/CHARGE	RATES YIELD GST EXCLUSIVE \$'000
<b>General Rate</b>	Base (Residential)	Capital Value	Base differential use	\$36,978,901,000	c0.223675	\$82,713
	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use	\$10,917,500,000	c0.625510	\$68,290
	<b>Total</b>					
<b>Sewerage targeted rate</b>	Base (Residential)	Fixed amount / rating unit	Base differential use per connection status	67261 properties	\$106.60	\$7,170
		Capital Value	Base differential use per connection status	\$39,305,293,000	c0.042882	\$16,855
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business use per connection status	\$9,278,961,000	c0.144413	\$13,400
	<b>Total</b>					
<b>Water targeted rate</b>	Base (Residential) (without water meter)	Fixed amount / rating unit	Base differential use per connection status without a water meter	59317 properties	\$137.70	\$8,168
		Capital Value	Base differential use per connection status without a water meter	\$31,725,203,000	c0.045198	\$14,339
	Base (Residential) (with water meter)	Consumption unit charge	Base differential use per connection status with a water meter	n/a	\$1.944 / m3	\$392
		Fixed amount / rating unit	Base differential use per connection status with a water meter	n/a	\$111.90	\$76
	Commercial, Industrial & Business (without water meter)	Capital Value	Commercial, industrial and business use per connection status without a water meter	\$562,304,000	c0.405475	\$2,280
	Commercial, Industrial & Business (with water meter)	Consumption unit charge	Commercial, industrial and business use per connection status with a water meter	n/a	\$1.944 / m3	\$12,684
		Fixed amount / rating unit	Commercial, industrial and business use per connection status with a water meter	n/a	\$111.90	\$352
	<b>Total</b>					
<b>Stormwater targeted rate</b>	Base (Residential excluding rural)	Capital Value	Base differential use (excluding rural)	\$36,458,694,000	c0.037078	\$13,518
	Commercial, Industrial & Business (excluding rural)	Capital Value	Commercial, industrial and business use (excluding rural)	\$9,654,642,000	c0.040644	\$3,924
	<b>Total</b>					
<b>Base sector targeted rate</b>	Base (Residential)	Capital Value	Residential use	\$36,923,649,000	c0.016781	<b>\$6,196</b>
<b>Commercial sector targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use	\$10,887,500,000	c0.047385	<b>\$5,159</b>
<b>Downtown targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in the downtown area	\$7,416,843,000	c0.192049	<b>\$14,244</b>
<b>Tawa driveways targeted rate</b>	Base (Residential)	Fixed amount / rating unit	Shared residential access driveways maintained by Council in the suburb of Tawa (extent of provision of service)	251 properties	\$133.33	<b>\$33</b>

<b>RATE</b>	<b>CATEGORY</b>	<b>FACTOR</b>	<b>DIFFERENTIAL CHARGE TYPE</b>	<b>TOTAL VALUE OF FACTOR</b>	<b>RATE/ CHARGE</b>	<b>RATES YIELD GST EXCLUSIVE \$000</b>
<b>Marsden Village targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in Marsden shopping village area	\$11,905,000	c0.121538	<b>\$14</b>
<b>Khandallah Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in the Khandallah Business Improvement District area	\$13,215,000	c0.151343	<b>\$20</b>
<b>Miramar Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business use located in the Miramar Business Improvement District area	128 properties	\$365.00	\$47
		Capital Value over \$1,000,000 per rating unit	Commercial, industrial & business use located in the Miramar Business Improvement District area for all capital value over \$1,000,000 CV per rating unit	\$84,170,000	c0.039539	\$33
<b>Total</b>						<b>\$80</b>
<b>TOTAL RATES REQUIREMENT (EXCLUDING GST)</b>						<b>\$269,908</b>

NOTE: When rates for 2015/16 are assessed, GST will be applied to the final rates. The total rates requirement includes rates remissions but excludes rates penalties which are budgeted separately

## **RATES REMISSION AND POSTPONEMENT POLICIES**

Refer to the Council Rates Remission and Postponement Policies. Changes to the rates remission policy are described in Volume 2, pages 117 and 127.

# Financial Statements

## PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES \$000	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>REVENUE</b>													
Revenue from rates	255,266	270,907	15,641		283,927	302,482	324,619	338,630	356,310	370,655	385,232	403,875	414,970
Revenue from development contributions	2,000	2,000	-		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Revenue from grants, subsidies and reimbursements	51,090	42,511	(8,579)	1	42,062	28,578	21,447	19,271	20,332	20,875	21,341	21,773	22,826
Revenue from operating activities	119,913	121,287	1,374	2	124,817	127,764	130,677	134,404	136,116	136,818	140,884	143,932	147,417
Investments	20,215	20,135	(80)		20,135	20,235	19,635	20,635	23,344	26,693	26,637	29,182	30,429
Fair value movement on investment property revaluation	-	3,665	3,665	3	4,324	4,821	5,143	5,482	6,057	6,449	6,865	7,543	8,027
Other revenue	1,100	1,050	(50)		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Finance revenue	603	637	34		650	663	719	693	731	776	827	886	952
<b>TOTAL REVENUE</b>	<b>450,187</b>	<b>462,192</b>	<b>12,005</b>		<b>478,965</b>	<b>487,593</b>	<b>505,290</b>	<b>522,165</b>	<b>545,940</b>	<b>565,316</b>	<b>584,836</b>	<b>610,241</b>	<b>627,671</b>
<b>EXPENSE</b>													
Finance expense	23,041	22,961	(80)	4	26,498	32,365	36,868	38,926	40,453	43,602	47,956	53,549	55,946
Expenditure on operating activities	298,596	316,333	17,737	5	329,850	332,403	338,405	351,221	363,135	376,887	387,814	398,961	411,419
Depreciation and amortisation	102,165	99,797	(2,368)		102,250	108,742	114,681	116,963	124,694	128,634	131,158	139,648	143,188
<b>TOTAL EXPENSE</b>	<b>423,802</b>	<b>439,091</b>	<b>15,289</b>		<b>458,598</b>	<b>473,510</b>	<b>489,954</b>	<b>507,110</b>	<b>528,282</b>	<b>549,123</b>	<b>566,928</b>	<b>592,158</b>	<b>610,553</b>
<b>NET SURPLUS FOR THE YEAR</b>	<b>26,385</b>	<b>23,101</b>	<b>(3,284)</b>		<b>20,367</b>	<b>14,083</b>	<b>15,336</b>	<b>15,055</b>	<b>17,658</b>	<b>16,193</b>	<b>17,908</b>	<b>18,083</b>	<b>17,118</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>													
Fair value movement - property, plant and equipment - net	57,073	-	(57,073)		223,273	72,997	-	241,128	104,866	-	335,906	142,645	-
<b>TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>57,073</b>	<b>-</b>	<b>(57,073)</b>		<b>223,273</b>	<b>72,997</b>	<b>-</b>	<b>241,128</b>	<b>104,866</b>	<b>-</b>	<b>335,906</b>	<b>142,645</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>83,458</b>	<b>23,101</b>	<b>(60,357)</b>		<b>243,640</b>	<b>87,080</b>	<b>15,336</b>	<b>256,183</b>	<b>122,524</b>	<b>16,193</b>	<b>353,814</b>	<b>160,728</b>	<b>17,118</b>

Notes to variances:

1. Reduction in funding from Housing New Zealand for the Housing Upgrade Programme.
2. Details of specific changes to revenue from activities can be found in the Funding Impact Statements.
3. The impact of investment property revaluations. This is expected at a rate of half the property inflator detailed in the significant forecasting assumptions.
4. Debt levels have increased between 2014/15 and 2015/16 but interest rates have decreased creating a modest interest increase.
5. Details of specific changes to operational costs can be found in the Funding Impact Statements.

6. EXPLANATION OF NET OPERATING SURPLUS

<b>EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA</b>	<b>2015/16 LTP \$000</b>	<b>2016/17 LTP \$000</b>	<b>2017/18 LTP \$000</b>	<b>2018/19 LTP \$000</b>	<b>2019/20 LTP \$000</b>	<b>2020/21 LTP \$000</b>	<b>2021/22 LTP \$000</b>	<b>2022/23 LTP \$000</b>	<b>2023/24 LTP \$000</b>	<b>2024/25 LTP \$000</b>
<b>TOTAL SURPLUS</b>	<b>23,101</b>	<b>20,367</b>	<b>14,083</b>	<b>15,336</b>	<b>15,055</b>	<b>17,658</b>	<b>16,193</b>	<b>17,908</b>	<b>18,083</b>	<b>17,118</b>
<b>Represented by:</b>										
NZTA Transport funded projects	(7,843)	(7,595)	(7,586)	(7,679)	(7,566)	(7,543)	(7,607)	(7,686)	(7,645)	(7,629)
General	(834)	(90)	(80)	(70)	(60)	(50)	(40)	(30)	(20)	(10)
Clearwater sewerage treatment plant	(2,955)	(2,955)	(3,174)	(3,174)	(3,174)	(3,443)	(3,442)	(3,442)	(3,771)	(3,771)
Decommissioned Living Earth joint venture plant	(198)	(198)	(210)	(210)	(210)	(220)	(196)	(192)	(211)	(211)
Wellington Waterfront Limited depreciation	(3,654)	(3,297)	(3,122)	(2,857)	(2,399)	(2,015)	(1,645)	(1,182)	(641)	0
<b>TOTAL EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA</b>	<b>(15,483)</b>	<b>(14,135)</b>	<b>(14,172)</b>	<b>(13,990)</b>	<b>(13,409)</b>	<b>(13,270)</b>	<b>(12,930)</b>	<b>(12,533)</b>	<b>(12,289)</b>	<b>(11,621)</b>
<b>REVENUE RECEIVED FOR CAPITAL PURPOSES</b>										
NZTA capital funding	12,668	17,599	21,387	12,597	12,735	13,261	13,647	13,952	14,216	15,093
Ring-fenced housing capital grant and surplus	17,731	15,590	(1,330)	(3,081)	(1,955)	(1,896)	(4,524)	(3,757)	(4,827)	(7,895)
Development contributions	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Bequests, trust and other external funding	2,690	0	50	600	150	507	507	507	507	507
<b>TOTAL REVENUE RECEIVED FOR CAPITAL PURPOSES</b>	<b>35,090</b>	<b>35,190</b>	<b>22,107</b>	<b>12,116</b>	<b>12,930</b>	<b>13,871</b>	<b>11,630</b>	<b>12,702</b>	<b>11,896</b>	<b>9,705</b>
<b>ITEMS FUNDED FROM PRIOR YEAR SURPLUSES</b>										
WEID	(3,000)	(3,000)	(1,500)	0	0	0	0	0	0	0
Lyll Bay operational grant	(350)	0	0	0	0	0	0	0	0	0
<b>TOTAL ITEMS FUNDED FROM PRIOR YEAR SURPLUS</b>	<b>(3,350)</b>	<b>(3,000)</b>	<b>(1,500)</b>	<b>0</b>						
<b>ADDITIONAL ITEMS</b>										
Weathertight Homes funding	6,661	7,226	7,226	7,226	7,226	8,124	8,124	8,124	8,124	8,132
ICT Infrastructure project	(2,880)	(2,730)	305	305	305	305	305	305	305	305
Ocean Exploration Centre	0	0	(6,000)	883	883	883	883	883	883	883
Cable car	0	(2,288)	212	212	212	212	212	212	212	212
Westpac Stadium	0	(4,575)	425	425	425	425	425	425	425	425
Alex Moore Park	(108)	(472)	(190)	110	110	110	110	110	110	110
Odyssey	(1,079)	221	221	221	221	221	220	0	0	0
Reserves purchases and development fund	(39)	(30)	(24)	(11)	(11)	0	0	0	0	0
Unrealised fair value adjustment for loans and receivables	624	637	650	706	680	718	763	814	873	939
Fair value movement on investment property revaluation	3,665	4,324	4,821	7,133	5,482	6,057	6,449	6,865	7,543	8,027
<b>TOTAL ADDITIONAL ITEMS</b>	<b>6,844</b>	<b>2,312</b>	<b>7,647</b>	<b>17,209</b>	<b>15,532</b>	<b>17,055</b>	<b>17,491</b>	<b>17,738</b>	<b>18,475</b>	<b>19,033</b>
<b>BALANCED BUDGET UNDER SECTION 100 OF LGA</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>ASSETS</b>													
<b>Current assets</b>													
Cash and cash equivalents	2,389	1,249	(1,140)		1,306	1,366	1,194	982	823	902	1,405	1,380	1,248
Derivative financial assets	409	-	(409)		-	-	-	-	-	-	-	-	-
Receivables and recoverables	39,556	42,333	2,777		43,760	45,283	46,915	48,487	49,754	50,548	52,158	53,770	55,139
Prepayments	15,048	12,096	(2,952)		12,815	12,898	13,128	13,707	14,228	14,805	15,256	15,703	16,219
Inventories	875	888	13		906	922	941	958	974	1,002	1,025	1,051	1,076
<b>Total current assets</b>	<b>58,277</b>	<b>56,566</b>	<b>(1,711)</b>		<b>58,787</b>	<b>60,469</b>	<b>62,178</b>	<b>64,134</b>	<b>65,779</b>	<b>67,257</b>	<b>69,844</b>	<b>71,904</b>	<b>73,682</b>
<b>Non-current assets</b>													
Derivative financial assets	3,280	-	(3,280)		-	-	-	-	-	-	-	-	-
Other financial assets	8,928	10,473	1,545		11,110	11,760	12,466	13,146	13,864	14,627	15,441	16,314	17,253
Intangibles	16,743	28,936	12,193		31,801	37,309	36,746	36,534	36,418	38,868	39,456	42,457	46,125
Investment properties	205,951	196,566	(9,385)	1	200,890	205,711	210,854	216,336	222,393	228,842	235,707	243,250	251,277
Property, plant & equipment	6,974,749	6,674,860	(299,889)	2	6,960,405	7,111,895	7,169,284	7,425,228	7,557,942	7,657,036	8,025,618	8,191,328	8,224,743
Investment in controlled entities	3,809	3,809	-		3,809	3,809	3,809	3,809	3,809	3,809	3,809	3,809	3,809
Investment in associates and jointly controlled entities	19,519	19,504	(15)		19,504	19,504	19,504	19,504	19,504	19,504	19,504	19,504	19,504
<b>Total non-current assets</b>	<b>7,232,979</b>	<b>6,934,148</b>	<b>(298,831)</b>		<b>7,227,519</b>	<b>7,389,988</b>	<b>7,452,663</b>	<b>7,714,557</b>	<b>7,853,930</b>	<b>7,962,686</b>	<b>8,339,535</b>	<b>8,516,662</b>	<b>8,562,711</b>
<b>TOTAL ASSETS</b>	<b>7,291,256</b>	<b>6,990,714</b>	<b>(300,542)</b>		<b>7,286,306</b>	<b>7,450,457</b>	<b>7,514,841</b>	<b>7,778,691</b>	<b>7,919,709</b>	<b>8,029,943</b>	<b>8,409,379</b>	<b>8,588,566</b>	<b>8,636,393</b>
<b>LIABILITIES</b>													
<b>Current liabilities</b>													
Derivative financial liabilities	404	-	(404)		-	-	-	-	-	-	-	-	-
Trade and other payables	57,945	59,122	1,177		63,291	68,672	66,017	61,151	64,614	76,529	71,007	71,692	74,991
Revenue in advance	11,405	33,496	22,091	3	13,345	11,289	11,546	11,875	12,027	12,089	12,448	12,717	13,025
Borrowings	155,562	219,789	64,227	4	259,762	301,044	329,269	336,064	343,902	386,962	402,929	411,851	425,866
Employee benefit liabilities and provisions	5,698	6,845	1,147		6,856	6,931	7,060	7,214	7,380	7,608	7,797	8,009	8,225
Provision for other liabilities	17,466	11,790	(5,676)		8,548	6,089	4,819	4,168	3,903	3,878	3,892	3,952	4,001
<b>Total current liabilities</b>	<b>248,480</b>	<b>331,042</b>	<b>82,562</b>		<b>351,802</b>	<b>394,025</b>	<b>418,711</b>	<b>420,472</b>	<b>431,826</b>	<b>487,066</b>	<b>498,073</b>	<b>508,221</b>	<b>526,108</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>Non-current liabilities</b>													
Derivative financial liabilities	12,831	-	(12,831)		-	-	-	-	-	-	-	-	-
Trade and other payables	-	630	630		630	630	630	630	630	630	630	630	630
Borrowings	248,601	196,474	(52,127)	4	232,206	269,109	294,339	300,414	307,420	345,912	360,185	368,161	380,689
Employee benefit liabilities	1,474	1,708	234		1,711	1,729	1,761	1,800	1,842	1,898	1,945	1,998	2,052
Provisions for other liabilities	43,687	23,945	(19,742)	5	19,402	17,329	16,429	16,221	16,313	16,566	16,861	17,143	17,383
<b>Total non-current liabilities</b>	<b>306,593</b>	<b>222,757</b>	<b>(83,836)</b>		<b>253,949</b>	<b>288,797</b>	<b>313,159</b>	<b>319,065</b>	<b>326,205</b>	<b>365,006</b>	<b>379,621</b>	<b>387,932</b>	<b>400,754</b>
<b>TOTAL LIABILITIES</b>	<b>555,073</b>	<b>553,799</b>	<b>(1,274)</b>		<b>605,751</b>	<b>682,822</b>	<b>731,870</b>	<b>739,537</b>	<b>758,031</b>	<b>852,072</b>	<b>877,694</b>	<b>896,153</b>	<b>926,862</b>
<b>EQUITY</b>													
Accumulated funds and retained earnings	4,992,265	4,994,681	2,416		5,014,552	5,028,194	5,043,158	5,057,910	5,075,336	5,091,379	5,109,225	5,127,341	5,142,546
Revaluation reserves	1,743,064	1,429,106	(313,958)	2	1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921	2,549,921
Hedging reserve	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Fair value through other comprehensive revenue and expense reserve	93	63	(30)		63	63	63	63	63	63	63	63	63
Restricted funds	10,716	12,928	2,212		13,424	13,865	14,237	14,540	14,772	14,922	14,984	14,951	16,864
<b>TOTAL EQUITY</b>	<b>6,736,183</b>	<b>6,436,915</b>	<b>(299,268)</b>		<b>6,680,555</b>	<b>6,767,635</b>	<b>6,782,971</b>	<b>7,039,154</b>	<b>7,161,678</b>	<b>7,177,871</b>	<b>7,531,685</b>	<b>7,692,413</b>	<b>7,709,531</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,291,256</b>	<b>6,990,714</b>	<b>(300,542)</b>		<b>7,286,306</b>	<b>7,450,457</b>	<b>7,514,841</b>	<b>7,778,691</b>	<b>7,919,709</b>	<b>8,029,943</b>	<b>8,409,379</b>	<b>8,588,566</b>	<b>8,636,393</b>

Notes to variances:

1. Movement due to differences in the forecast value of investment properties.
2. Movements primarily due to changes in assumptions used for asset revaluations and reductions in the capital expenditure programme in the 2014/15 Annual Plan and the 2015-25 Long-term Plan.
3. Increase due to revenue received in advance relating to the housing upgrade project.
4. Reclassification of borrowings between current and non-current borrowings.
5. Weathertight homes provision decreasing over time due to reduction in the number of outstanding claims.

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>EQUITY - OPENING BALANCES</b>													
Accumulated funds and retained earnings	4,965,881	4,972,119	6,238		4,994,681	5,014,552	5,028,194	5,043,158	5,057,910	5,075,336	5,091,379	5,109,225	5,127,341
Revaluation reserves	1,685,991	1,429,106	(256,885)		1,429,106	1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921
Hedging reserve	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Fair value through other comprehensive revenue and expense reserve	93	63	(30)		63	63	63	63	63	63	63	63	63
Restricted funds	10,715	12,389	1,674		12,928	13,424	13,865	14,237	14,540	14,774	14,922	14,984	14,951
<b>TOTAL EQUITY - Opening balance</b>	<b>6,652,725</b>	<b>6,413,814</b>	<b>(238,911)</b>		<b>6,436,915</b>	<b>6,680,555</b>	<b>6,767,635</b>	<b>6,782,971</b>	<b>7,039,154</b>	<b>7,161,678</b>	<b>7,177,871</b>	<b>7,531,685</b>	<b>7,692,413</b>
<b>CHANGES IN EQUITY</b>													
<b>Retained earnings</b>													
Net surplus for the year	26,385	23,101	(3,284)		20,367	14,083	15,336	15,055	17,658	16,193	17,908	18,083	17,118
Transfer to restricted funds	(3,766)	(4,518)	(752)		(4,555)	(4,598)	(4,637)	(4,685)	(4,734)	(4,790)	(4,845)	(4,911)	(7,026)
Transfer from restricted funds	3,765	3,979	214		4,059	4,157	4,265	4,382	4,502	4,640	4,783	4,944	5,113
<b>Hedging reserve</b>													
Movement in hedging reserve	57,073	-	(57,073)		223,273	72,997	-	241,128	104,866	-	335,906	142,645	-
<b>Restricted Funds</b>													
Transfer to retained earnings	(3,765)	(3,979)	(214)		(4,059)	(4,157)	(4,265)	(4,382)	(4,502)	(4,640)	(4,783)	(4,944)	(5,113)
Transfer from retained earnings	3,766	4,518	752		4,555	4,598	4,637	4,685	4,734	4,790	4,845	4,911	7,026
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>83,458</b>	<b>23,101</b>	<b>(60,357)</b>		<b>243,640</b>	<b>87,080</b>	<b>15,336</b>	<b>256,183</b>	<b>122,524</b>	<b>16,193</b>	<b>353,814</b>	<b>160,728</b>	<b>17,118</b>
<b>EQUITY - CLOSING BALANCES</b>													
Accumulated funds and retained earnings	4,992,265	4,994,681	2,416		5,014,552	5,028,194	5,043,158	5,057,910	5,075,336	5,091,379	5,109,225	5,127,341	5,142,546
Revaluation reserves	1,743,064	1,429,106	(313,958)		1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921	2,549,921
Hedging reserve	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Fair value through other comprehensive revenue and expense	93	63	(30)		63	63	63	63	63	63	63	63	63
Restricted funds	10,716	12,928	2,212		13,424	13,866	14,237	14,540	14,772	14,922	14,984	14,951	16,864
<b>TOTAL EQUITY - CLOSING BALANCE</b>	<b>6,736,183</b>	<b>6,436,915</b>	<b>(299,268)</b>		<b>6,680,555</b>	<b>6,767,635</b>	<b>6,782,971</b>	<b>7,039,154</b>	<b>7,161,678</b>	<b>7,177,871</b>	<b>7,531,685</b>	<b>7,692,413</b>	<b>7,709,531</b>

## PROSPECTIVE STATEMENT OF CASH FLOWS

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>													
Receipts from rates - Council	255,266	259,728	4,462		283,407	301,716	323,735	338,016	355,482	370,042	384,666	403,046	414,496
Receipts from rates - Greater Wellington Regional Council	50,341	53,018	2,677		55,597	59,243	63,628	66,336	69,690	72,483	75,390	78,980	81,140
Receipts from activities and other income	123,013	136,363	13,350	1	106,809	128,001	133,236	136,825	138,879	139,749	143,249	146,468	149,880
Receipts from grants and subsidies - operating	7,715	36,026	28,311	2	35,376	21,637	15,186	12,885	13,768	14,154	14,459	14,723	15,600
Receipts from grants and subsidies - capital	43,375	6,485	(36,890)		6,686	6,941	6,261	6,386	6,564	6,721	6,882	7,050	7,226
Receipts from investment property lease rentals	9,215	9,135	(80)		9,135	9,135	9,135	9,135	9,135	9,135	9,135	9,135	9,135
Cash paid to suppliers and employees	(286,780)	(294,178)	(7,398)		(293,143)	(294,304)	(304,532)	(312,916)	(320,607)	(331,300)	(341,931)	(352,466)	(364,348)
Rates paid to Greater Wellington Regional Council	(50,341)	(53,018)	(2,677)		(55,597)	(59,243)	(63,628)	(66,336)	(69,690)	(72,483)	(75,390)	(78,980)	(81,140)
Grants paid	(28,719)	(35,583)	(6,864)		(43,827)	(42,806)	(35,654)	(38,197)	(41,750)	(44,354)	(44,803)	(45,303)	(45,825)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>123,085</b>	<b>117,976</b>	<b>(5,109)</b>		<b>104,443</b>	<b>130,320</b>	<b>147,367</b>	<b>152,134</b>	<b>161,471</b>	<b>164,147</b>	<b>171,657</b>	<b>182,653</b>	<b>186,164</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>													
Dividends received	11,000	11,000	-		11,000	11,100	10,500	11,500	14,209	17,558	17,502	20,047	21,294
Interest received	44	637	593		650	663	719	693	731	776	827	886	952
Proceeds from sale of property, plant and equipment	4,050	2,650	(1,400)		(4,600)	5,250	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Purchase of intangibles	(8,777)	(11,195)	(2,418)		(8,418)	(11,493)	(6,101)	(6,201)	(6,533)	(8,953)	(6,711)	(6,892)	(7,451)
Purchase of property, plant and equipment	(155,724)	(146,857)	8,867		(152,301)	(181,542)	(170,922)	(133,955)	(146,032)	(213,033)	(166,620)	(161,549)	(173,043)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(149,407)</b>	<b>(143,765)</b>	<b>5,642</b>		<b>(153,669)</b>	<b>(176,022)</b>	<b>(163,804)</b>	<b>(125,963)</b>	<b>(135,625)</b>	<b>(201,652)</b>	<b>(153,002)</b>	<b>(145,508)</b>	<b>(156,248)</b>

	2014/15 AP \$000	2015/16 LTP \$000	VARIANCE TO LTP \$000	NOTES	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>													
New borrowings	203,964	239,327	35,363		231,267	297,974	313,217	313,914	344,113	417,616	374,142	403,860	429,472
Repayment of borrowings	(155,562)	(197,932)	(42,370)		(155,562)	(219,789)	(259,762)	(301,044)	(329,269)	(336,064)	(343,902)	(386,962)	(402,929)
Interest paid on borrowings	(22,080)	(22,763)	(683)		(26,422)	(32,423)	(37,190)	(39,253)	(40,849)	(43,968)	(48,392)	(54,068)	(56,591)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>26,322</b>	<b>18,632</b>	<b>(7,690)</b>		<b>49,283</b>	<b>45,762</b>	<b>16,265</b>	<b>(26,383)</b>	<b>(26,005)</b>	<b>37,584</b>	<b>(18,152)</b>	<b>(37,170)</b>	<b>(30,048)</b>
Net increase/(decrease) in cash and cash equivalents	-	(7,157)	(7,157)		57	60	(172)	(212)	(159)	79	503	(25)	(132)
Cash and cash equivalents at beginning of year	2,389	8,406	6,017		1,249	1,306	1,366	1,194	982	823	902	1,405	1,380
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2,389</b>	<b>1,249</b>	<b>(1,140)</b>		<b>1,306</b>	<b>1,366</b>	<b>1,194</b>	<b>982</b>	<b>823</b>	<b>902</b>	<b>1,405</b>	<b>1,380</b>	<b>1,248</b>

Notes:

1. Wellington City Council collects rates on behalf of GWRC.
2. Increased income from activities is detailed in the Funding Impact Statements by activity.

## PROSPECTIVE STATEMENT OF CHANGES IN RESTRICTED FUNDS

	OPENING BALANCE 2015/16 \$000	DEPOSITS \$000	EXPENDITURE \$000	CLOSING BALANCE 2024/25 \$000	PURPOSE
<b>SPECIAL RESERVES AND FUNDS</b>					
Reserve purchase and development fund	287	-	-	287	Used to purchase and develop reserve areas within the city
Wellington economic initiatives development fund	2,075	32,050	(34,125)	-	
Insurance reserve	9,609	17,065	(10,535)	16,139	Allows the Council to meet the uninsured portion of insurance claims
<b>Total special reserves and funds</b>	<b>11,971</b>	<b>49,115</b>	<b>(44,660)</b>	<b>16,426</b>	
<b>TRUSTS AND BEQUESTS</b>					
A Graham Trust	3	1	-	4	For the upkeep of a specific area of Karori Cemetery
A W Newton request	315	160	(150)	325	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	13	5	-	18	For the purchase of children's books
F L Irvine Smith Memorial	7	2	-	9	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	2	-	7	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	3	1	-	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	19	10	-	29	For the purchase of books on the Commonwealth
Schola Cantorum Trust	6	3	-	9	For the purchase of musical scores
Terawhiti Grant	10	-	-	10	To be used for the purchase of library books
Wellington Beautifying Society Request	14	-	(14)	-	Used towards "the Greening of Taranaki Street" project
<b>Total trusts and bequests</b>	<b>418</b>	<b>184</b>	<b>(164)</b>	<b>438</b>	
<b>TOTAL RESTRICTED FUNDS</b>	<b>12,389</b>	<b>49,299</b>	<b>(44,824)</b>	<b>16,864</b>	

In addition to the above, the Council is proposing to establish a Forest Carbon Reserve Fund on the basis that it will reinvest a share of revenue from the sale of forestry emission units under the New Zealand Emissions Trading Scheme or Permanent Forest Sink Initiative to protect or enhance the Council's forest carbon stocks. Other revenues generated from the sale of emission units or from costs recovered by way of fees and charges in regard to the New Zealand Emissions Trading Scheme will be treated as other revenues received by the Council. We are not anticipating any revenue for this fund in the 2015/16 year.

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## Summary of Significant Accounting Policies

### REPORTING ENTITY

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

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

These 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

#### 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 prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

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

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

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

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

(iii) *Bases for assumptions, risks and uncertainties*

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

(iv) *Cautionary Note*

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

(iv) *Other Disclosures*

These prospective financial statements were adopted, as part of the assumptions that form the 2015-25 Long-term Plan consultative documents, for issue on 24 June 2015 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 Long-term Plan is prospective and as such contains no actual operating results.

### Statement of compliance

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

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

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

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

### Measurement base

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

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. For investment property, non-current assets classified as held

for sale and items of property, plant and equipment which are revalued, the fair value is determined by reference to market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction.

Amounts expected to be recovered or settled more than one year after the end of the reporting period are recognised at their present value. The present value of the estimated future cash flows is calculated using applicable inflation factors and a discount rate. The inflation rates used and the discount rate for forecasting the long-term cost of borrowing are as per the "planning assumptions" which are disclosed on page 203.

## **JUDGEMENTS AND ESTIMATIONS**

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

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

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

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

## **REVENUE**

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

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

### **Revenue from exchange transactions**

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

### **Revenue from non-exchange transactions**

Revenue from non-exchange transaction arises when the Council receives value from another party without giving

approximately equal value directly in exchange for the value received.

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

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

### **Approximately equal value**

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Some goods or services that Council provides (eg the sale of goods at market rates) are defined as being exchange transactions. Only a few services provided by Council operate on a full user pays, cost recovery or breakeven basis and these are considered to be exchange transactions unless they are provided at less than active and open market prices.

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

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

### **Rates**

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

Water rates by meter are regulated in the same way as other rates and are taxes that use a specific charging mechanism to collect the rate. However, as the water rates charged are primarily based on a per unit of consumption basis, water rates by meter are considered to be more in the nature of an exchange transaction.

### **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 is subject to a condition such that the Council has the obligation to return those funds received in the event that the conditions attached to them are breached. As the Council satisfies the conditions, the carrying amount of the liability is reduced and an equal amount is recognised as revenue.

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

#### *Development contributions*

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

#### *Rendering of services*

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

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

#### *Fines and penalties*

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

#### *Sale of goods*

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

### **Investment revenues**

#### *Dividends*

Dividends from equity investments are classified as exchange revenue and are recognised when the Council's right to receive payment has been established.

#### *Investment property lease rentals*

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

### **Other revenue**

#### *Donated, subsidised or vested assets*

Where a physical asset is acquired for nil or nominal consideration, with no conditions attached, the fair value

of the asset received is recognised as non-exchange revenue when the control of the asset is transferred to the Council.

#### *Gains*

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

### **Finance revenue**

#### *Interest*

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

#### *Donated services*

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

## **EXPENSES**

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

### **Operating activities**

#### *Grants and sponsorships*

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

### **Finance expense**

#### *Interest*

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

### **Depreciation and amortisation**

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

## **GOODS AND SERVICES TAX (GST)**

All items in the prospective financial statements are exclusive of GST, with the exception of receivables,

recoverables 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 Council 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, receivables and recoverables and loans and deposits.

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

Receivables and recoverables have fixed or determinable payments. They arise when the Council provides money, goods or services directly to a debtor, and has no intention of trading the receivable or recoverable.

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

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

*Financial assets at fair value through other comprehensive revenue and expense* relate to equity investments that are held by the Council for long-term strategic purposes and

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

### **Financial liabilities**

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

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

### **Derivatives**

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

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

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

## **INVENTORIES**

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

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

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

### **INVESTMENT PROPERTIES**

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

Investment properties exclude those properties held for strategic purposes or to provide a social service. This includes properties which generate cash inflows as the rental revenue is incidental to the purpose for holding the property. Such properties include the Council's social housing assets, which are held within operational assets in property, plant and equipment. Borrowing costs incurred during the construction of investment property are not capitalised.

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

### **NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

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

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

value less costs to sell. Impairment losses on initial classification are included within surplus or deficit.

### **PROPERTY, PLANT AND EQUIPMENT**

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

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

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

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

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

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

#### **Recognition**

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

#### **Measurement**

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

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

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

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

#### *Operational assets*

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

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

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

#### *Restricted assets*

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

#### *Infrastructure assets*

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

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

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

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

### **Revaluations**

The result of any revaluation of the Council's property, plant and equipment is recognised within other comprehensive revenue and expense and taken to the asset revaluation reserve. Where this results in a debit

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

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

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

### **Impairment**

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

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

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

## Disposal

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

## Work in progress

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

## Depreciation

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

ASSET CATEGORY	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Land	unlimited	not depreciated
Buildings	1 - 75	1.33% - 100%
Civic Centre Complex	10 - 78	1.28% - 10%
Plant and equipment	3 - 100	1% - 33.3%
Library collection	3 - 11	9.1% - 33.3%
Restricted assets (excluding buildings)	unlimited	not depreciated
Infrastructure assets:		
Land (including land under roads)	unlimited	not depreciated
Roading	3 - 175	0.57 - 33.3%
Drainage, waste and water	3 - 175	0.57 - 33.3%
Service concession arrangement assets	3 - 100	1 - 33.3%

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

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

## INTANGIBLE ASSETS

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

Computer software has a finite economic life and amortisation is charged to surplus or deficit on a straight-line basis over the estimated useful life of the asset.

Typically, the estimated useful lives and depreciation rate range of these assets are as follows:

ASSET CATEGORY	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Computer software	1 to 7 years	14.29% to 100%

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

Gains and losses arising from disposal of intangible assets are recognised within surplus or deficit in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any

indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported within surplus or deficit.

## LEASES

### Operating leases as lessee

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

### Operating leases as lessor

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

### Finance leases

Finance leases transfer to the Group (as lessee) substantially all the risks and rewards of ownership of the leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments.

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

### **EMPLOYEE BENEFIT LIABILITIES**

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

#### **Holiday leave**

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

#### **Retirement gratuities**

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

#### **Other contractual entitlements**

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

### **PROVISIONS**

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

#### **Landfill post-closure costs**

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

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

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

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

#### **ACC partnership programme**

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

#### **Financial guarantee contracts**

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

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

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

## **NET ASSETS/EQUITY**

Net assets or equity is the community's interest in the Council and 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.

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

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

## **PROSPECTIVE STATEMENT OF CASH FLOWS**

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

Operating activities include cash received from all non-financial revenue sources of the Council and 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 financing costs.

## **RELATED PARTIES**

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

The Mayor and Councillors are considered Directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration comprises any money, consideration or benefit received or receivable or otherwise made available, directly or indirectly, to a Director during the

reporting period. Directors' remuneration does not include reimbursement of authorised work expenses or the provision of work-related equipment such as cellphones and laptops.

## **COST ALLOCATION**

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

## **COMPARATIVES**

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

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

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## Financial Prudence

The government has introduced the new Local Government (Financial Reporting and Prudence) Regulations 2014 which has a series of measures and benchmarks, disclosed in the following pages. These measures further highlight the financial performance of Council in a way that is consistent and standardised.

These measures allow for comparison of financial performance with other Councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Wellington City Councils' results with other Councils due to their size, location and provision of services.

The Council considers there are three key financial areas that demonstrate whether a Council is being managed in a prudent manner; they are in broad terms the level of rate increases, level of borrowings and the balancing of the budget. A Council sets what it believes to be prudent levels for each of these areas when it adopts its Long-term Plan.

### **RATES INCREASE**

The Financial Strategy outlines the Councils strategy on rate increases and how to maintain the ratepayers willingness to pay rates as they perceive the value of the services provided by Council. There are two measures that indicate Councils adherence to its strategy:

1. Percentage limit on rate increases averaged over the first three years of the 2015-25 Long-term Plan before growth (in the rating base) is 4.5%.

The percentage rate increase for 2015/16 is 4.9%

2. Dollar limit on rate increases for rates revenue not to exceed is set at \$301.5 million for 2015/16.

The Council has committed to adhering to limits as set out in Long Term Financial Strategy as set out elsewhere in this 2015-25 Long-term Plan.

### **Borrowing levels**

The Financial Strategy outlines its guiding principles on the level of borrowing the Council may undertake, and in broad terms:

- a) Debt cannot be used to fund operations, and
- b) The current level of debt will not restrict a future Councils ability to fund new assets through debt.

The Council has met all of its borrowing measures set out in the following pages, as the Council continues to be prudent in carefully managing its debt levels and ensuring that future generations are not impeded in their ability to borrow to fund future capital expenditure.

### **Balanced Budget**

This measure is designed to highlight whether a Council has achieved a balanced budget as discussed in the financial overview. The Council's aim is to be as close to the 100% as possible, as large variances would indicate that ratepayers are either paying too much or too little rates that could lead to intergenerational issues in later years.

# 2015-25 Long-term Plan disclosure statement for the period commencing 1 July 2015

## What is the purpose of this statement?

The purpose of this statement is to disclose the council's 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 long-term 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.

## Rates affordability benchmark

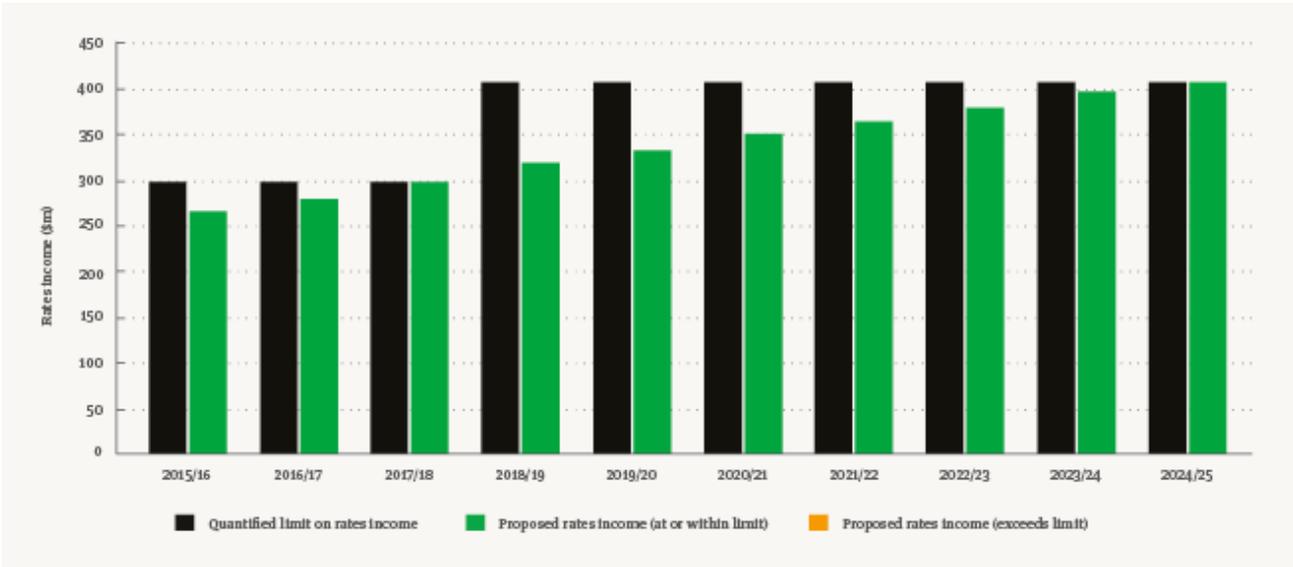
The council meets the rates affordability benchmark if–

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

These limits are based on the Local Government Cost Index and the limits are set each year during the Annual Plan process. This will cause some limits to be different than those disclosed in the 2015-25 Long-term Plan. Where this occurs both the Annual Plan and Long-term Plan limits will be disclosed.

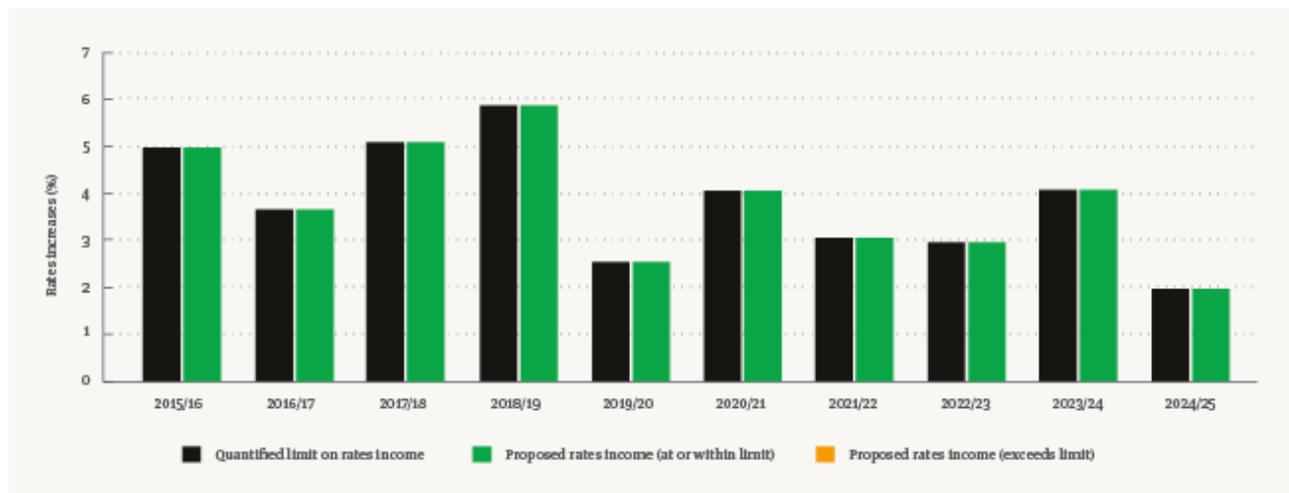
## Rates (income) affordability

The following graph compares the council's actual rates increases with a quantified dollar limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit for the first three years of the Long-term Plan is \$301,552,000 and is \$417,880,000 for the last seven years of the Long-term Plan (quantified limit for the 2014/15 Annual Plan was \$249,671,000).



### Rates (increases) affordability

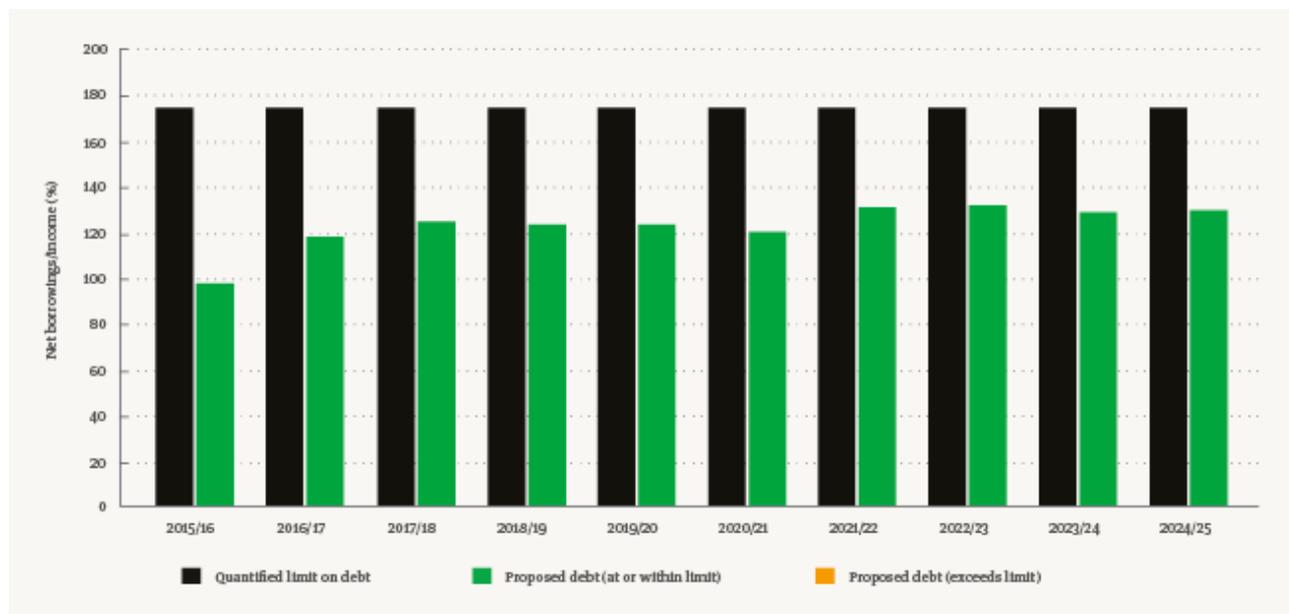
The following graph compares the council's planned rates increases with a quantified limit on rates increases included in the financial strategy included in this council Long-term Plan. The quantified limit for the first three years of the Long-term Plan is an average annual increase after growth of 4.5% and an average annual increase of 3.9% after growth for the ten year period of the Long-term Plan (quantified limit for the 2014/15 annual plan was a 3.9% increase).



### Debt affordability benchmark

#### Net borrowing as a percentage of income

The following graph compares the council's proposed borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is net borrowings, comprised of borrowings less cash and cash equivalents, being less than or equal to 175% of income. For this measure income is defined as total revenue less vested assets and development contribution income.



**Balanced budget benchmark**

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

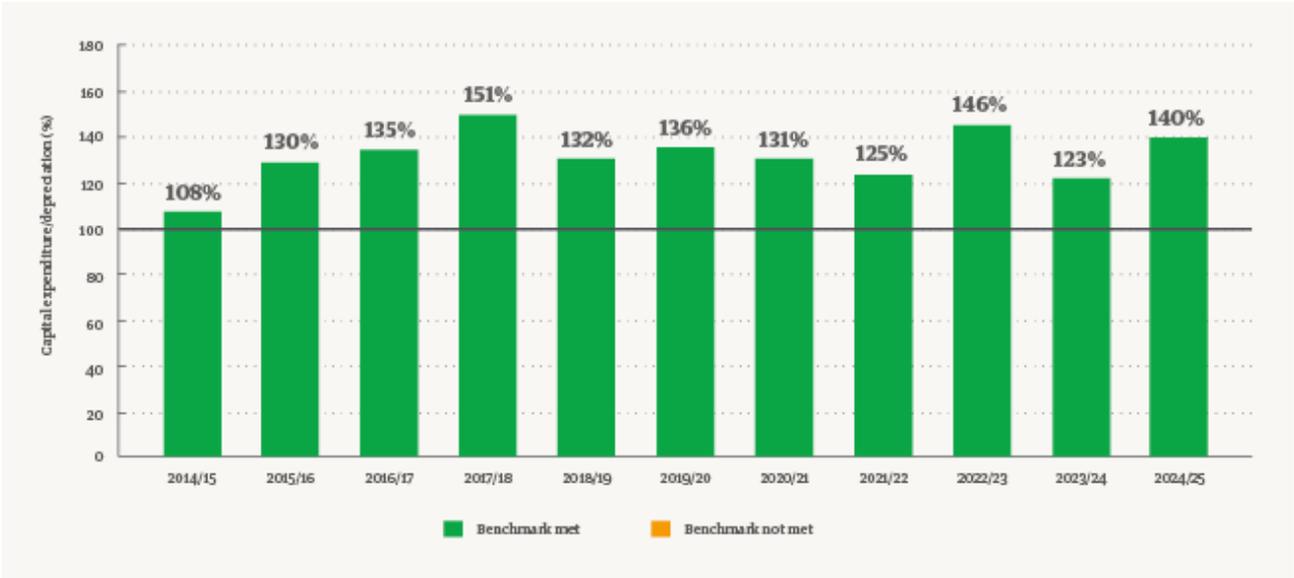
The council meets this benchmark if its revenue equals or is greater than its operating expenses.



**Essential services benchmark**

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

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.



## Debt servicing benchmark

The following graph displays the council's planned borrowing costs 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).

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



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## Fees and user charges

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

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

- City Archives
- Trade Waste
- Development control and facilitation
- Swimming Pools
- Marinas
- Public Health Regulations
- Recycling
- Sports fields

New fees will be implemented as of 1 July 2015 and are inclusive of GST. For more information see [www.Wellington.co.nz](http://www.Wellington.co.nz)

## Development control and facilitation

We are increasing our fees for development control and facilitation work, including fees for consents, compliance monitoring and enforcement.

RESOURCE CONSENT FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>Service</b>		
Pre-application meetings: planner / expert / compliance officer (charge per hour)	\$150.00	\$155.00
Non-notified Resource Consent: land use	\$1,500.00	\$1,650.00
Non-notified Resource Consent: subdivision	N / A	\$2,000.00
Non-notified Resource Consent: land-use and subdivision	N / A	\$2,700.00
Limited notified Resource Consent: subdivision and / or land use	\$8,000.00	\$8,400.00
Fully notified Resource Consent: subdivision and / or land use (includes \$1,500.00 towards the cost of the public notices)	\$15,000.00	\$16,000.00
<b>Additional Charges</b>		
Additional hours (per hour):		
- All consents: additional processing hours (per hour) - planner / advisor / compliance officer	\$150.00	\$155.00
- All consents: additional processing hours (per hour) - administrative officer	\$85.00	\$90.00
<b>Compliance Monitoring</b>		
Monitoring Administration of Resource Consents: subdivision or land use - minimum of one hour then based on actual time after that	\$150.00	\$155.00
Additional hours (per hour):		
- planner / expert / compliance officer	\$150.00	\$155.00
- administrative officer	\$85.00	\$90.00
<b>Subdivision Certification</b>		
Below are minimum fees. Charges will be based on actual time if over and above that		
Stage certification: each stage for s223, s224(f), s226 etc	\$300.00	\$310.00
Combination of two or more Stage certificates: s223, s224(f), s226 etc	\$600.00	\$900.00
Certification s224(c)	\$600.00	\$900.00
All other RMA, Building Act, Unit Titles Act and LGA certificates, legal documents etc (disbursements charged separately) - up to 2 hrs	\$300.00	\$310.00
Bonds: each stage of preparation or release	\$300.00	\$310.00
<b>Vehicle Access</b>		
Plan check linked to a building consent or resource consent	\$300.00	\$310.00
Initial inspection fee	\$150.00	\$155.00
Vehicle crossing inspection fee over 1 hour	\$150.00	\$155.00
<b>District Plan Check Fee</b>		
All applications (except minor works)		
Building consents with a project value of less than \$20,000 (initial charge for 30 mins, then additional charges apply per hour of processing time above this)	\$75.00	\$80.00
Building consents with a project value of \$20,001 or over (initial charge for first hour, then additional charges apply per hour of processing time above this)	\$150.00	\$155.00
Additional hours - per hour	\$150.00	\$155.00
Outline Plan Waiver	\$300.00	Removed
<b>Planning Policy</b>		
Additional planner / advisor's time (per hour)	\$135.00	\$155.00
Additional administrative officer's time (per hour)	\$70.00	\$90.00

## Trade Waste

We are increasing our fees for the conveyance and transport of Trade Waste.

CONVEYANCE AND TRANSPORT OF TRADE WASTE	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>Volume</b>		
Up to 100m <sup>3</sup> /day	\$0.27/m <sup>3</sup>	\$0.28/m <sup>3</sup>
Between 100m <sup>3</sup> /day and 7000m <sup>3</sup> /day	\$0.13/m <sup>3</sup>	\$0.13/m <sup>3</sup>
Above 7000m <sup>3</sup> /day	\$0.85/m <sup>3</sup>	\$0.89/m <sup>3</sup>
<b>B.O.D</b>		
Up to 3150kg/day	\$0.29/m <sup>3</sup>	\$0.30/m <sup>3</sup>
Above 3150kg/day	\$0.64/m <sup>3</sup>	\$0.68/m <sup>3</sup>
<b>Suspended Solids</b>		
Up to 1575kg/day	\$0.28/m <sup>3</sup>	\$0.29/m <sup>3</sup>
Above 1575kg/day	\$0.52/m <sup>3</sup>	\$0.55/m <sup>3</sup>

## Recycling

We are increasing our fees for the recycling levy component of the landfill levy.

LANDFILL FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
Landfill Levy (per tonne)	\$118.20	\$121.80
Kai to Compost (per bin lift)	\$7.50	\$10.00

## Marinas

We are increasing our fees for Marinas.

MARINAS	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>Evans Bay Marina</b>		
Berth (12m to 20m)	\$2,580.00	\$2,632.00
Berth ( Sea Rescue Jetty)	\$1,520.00	\$1,548.00
Boat Shed (8 to 11)	\$1,016.00	\$1,036.00
Boat Shed (1 to 7, 12 to 32)	\$2,032.00	\$2,072.00
Boat Shed (33 to 46)	\$3,048.00	\$3,108.00
Dinghy Locker	\$304.00	\$310.00
Live-Aboard	\$532.00	\$542.00
<b>Clyde Quay Boat Harbour</b>		
Mooring	\$1,020.00	\$1,044.00
Boat Shed (2 to 13)	\$2,144.00	\$2,196.00
Boat Shed (14 to 27)	\$1,928.00	\$1,976.00
Boat Shed (38B)	\$1,548.00	\$1,586.00
Boat Shed (38A to 42B, 48A and 48B)	\$2,224.00	\$2,280.00
Boat Shed (43A to 47B)	\$2,572.00	\$2,636.00
Dinghy Racks	\$180.00	\$184.00

## Swimming Pools

We are increasing some of our fees for Swimming Pools.

POOL FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
Adult Spa (Community Pool)	\$4.80	\$5.00
Adult Spa (WRAC)	\$5.70	\$6.00

## Public Health Regulations

We are increasing our fees for Public Health Regulations.

PUBLIC HEALTH REGULATION FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>Health Licensing and Inspection</b>		
New food premises (first year set up)	\$495.00	\$515.00
New non-food premises (first year set up)	\$250.00	\$260.00
Change of occupiers base fee - minimum one hour	\$190.00	\$200.00
Change of occupiers base fee - additional per hour	\$130.00	\$135.00
Inspections (per hour) for legal action	\$130.00	\$135.00
<b>Annual licence for registered food premises</b>		
*Excellent grade	\$185.00 - \$615.00	\$195.00 - \$645.00
*Very good grade	\$310.00 - \$865.00	\$325.00 - \$900.00
*Ungraded	\$370.00 - 1,110.00	\$385.00 - 1,160.00
*Ungraded - high risk	\$495.00 - \$1,900.00	\$515.00 - \$1,985.00
*VIP registration and verification	\$485.00 - \$1850.00	\$505.00 - \$1,935.00
Additional inspections (over 3 hours) per hour	\$130.00	\$135.00
Re-grading of premises (per hour)	\$130.00	\$135.00
<b>Health license</b>		
*Sports clubs (minimal food preparation)	\$155.00	\$160.00
*Unregistered eating houses	\$215.00	\$225.00
<b>Temporary license</b>		
*Temporary/ mobile food stalls base fee - minimum one hour	\$185.00	\$195.00
*Temporary/ mobile food stalls base fee - additional per hour	\$130.00	\$135.00
Public notice under Sale and Supply of Alcohol Act 2013	N / A	\$150.00

## City Archives

We are changing our fees for City Archives.

CITY ARCHIVE PROPERTY PLAN FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>New single-charge search and copy fees</b>		
Residential building single property search and copy fee	N / A	\$55.00
Commercial building single property search and copy fee	N / A	\$125.00
Registered student single property search and copy fee	N / A	\$30.00
Fee for search and copy of a single permit or consent	N / A	\$25.00
Fee for search and copy of a single permit or consent; student	N / A	\$10.00
<b>Existing search costs</b>		
First permit/consent residential building plan search fee	\$27.50	Removed
Subsequent permit/consent residential building plan search fee	\$5.50	Removed
First permit/consent commercial building plan search fee	\$38.50	Removed
Subsequent permit/consent commercial building plan search fee	\$7.70	Removed
First building plan search fee for students with ID for registered courses	\$7.00	Removed
Subsequent building plan search fee for students with ID for registered courses	\$3.00	Removed
<b>Miscellaneous or one-off charges for smaller jobs</b>		
Archives research (per ½ hour)	\$27.50	\$30.00
Photocopy A0	\$8.50	\$9.00
Photocopy A1	\$4.50	\$5.00
Photocopy A2	\$4.50	\$5.00
Photocopy A3	\$0.80	\$1.00
Photocopy A4	\$0.50	\$0.50
High res photographic reproduction (digital)	\$37.50	\$40.00
Standard res photographic reproduction (digital)	\$18.50	\$20.00
Digital copy of a plan (since 2011-12)	\$2.00	\$2.00

## Sports fields

We are increasing some of our fees for use of Sportsfields.

SPORTS FIELD FEES	2014/15 DEPOSIT/ FEE	2015/16 DEPOSIT/ FEE
<b>Cricket</b>		
Casual		
Level 1	\$379.00	\$386.50
Level 2	\$251.00	\$256.00
Artificial pitch on concrete base	\$162.00	\$165.00
Artificial pitch on grass base	\$162.00	\$165.00
Seasonal		
Level 1	\$2,862.00	\$2,917.00
Level 2	\$2,388.00	\$2,433.00
Level 3	\$1,392.00	\$1,417.00
<b>Rugby, League, Soccer, Aussie Rules</b>		
Casual		
Level 1	\$139.00	\$142.00
Level 2	\$105.00	\$107.00
Level 3	\$81.00	\$82.50
Seasonal		
Level 1	\$1,971.00	\$2,350.00
Level 2	\$1,505.00	\$1,535.00
Level 3	\$1,274.00	\$1,299.00
<b>Softball</b>		
Casual		
Level 1	\$173.00	\$176.00
Level 2	\$122.00	\$124.00
Seasonal		
Level 1	\$725.00	\$739.50
Level 2	\$487.00	\$497.00
<b>Touch, 5-a-side, Ultimate Flying Disk, Gridiron</b>		
Casual		
Level 1	\$182.00	\$185.50
Level 2	\$146.00	\$149.00
Seasonal		
Level 1	\$1,505.00	\$1,535.00
Level 2	\$1,163.00	\$1,186.00
<b>Netball - per court</b>		
Court per season	\$139.00	\$142.00
Off-season or organized	\$11.00	\$11.00
Casual	\$42.00	\$43.00

<b>SPORTS FIELD FEES</b>	<b>2014/15 DEPOSIT/ FEE</b>	<b>2015/16 DEPOSIT/ FEE</b>
<b>Tennis</b>		
Court per season	\$189.00	\$193.00
Off-season or organized	\$18.00	\$18.00
Casual	\$42.00	\$43.00
<b>Cycling</b>		
Casual	\$170.00	\$173.00
Seasonal	\$1,713.00	\$1,747.00
<b>Athletics</b>		
Casual	\$621.00	\$633.50
WRFU speed trials	\$138.00	\$141.00
Seasonal	\$10,360.00	\$10,568.00
<b>Croquet - one lawn</b>		
Casual	\$168.00	\$171.00
Seasonal	\$787.00	\$803.00
<b>Training</b>		
Ground Only		
1 night	\$105.00	\$107.00
1 night (season)	\$376.00	\$384.00
2 nights (season)	\$753.00	\$768.00
3 nights (season)	\$1,128.00	\$1,150.50
4 nights (season)	\$1,505.00	\$1,535.00
5 nights (season)	\$1,880.00	\$1,917.50
Ground and Changing Rooms		
1 night	\$189.00	\$193.00
1 night (season)	\$792.00	\$808.00
2 nights (season)	\$1,582.00	\$1,613.00
3 nights (season)	\$2,373.00	\$2,420.00
Sports Fields Fees		
4 nights (season)	\$3,164.00	\$3,227.00
5 nights (season)	\$3,955.00	\$4,035.00
<b>Elite Parks</b>		
Rugby League Park	\$627.00	\$639.50
Newtown Park	\$627.00	\$639.50
<b>Picnics</b>		
	\$57.00	\$58.00
<b>Marquees</b>		
Booking fee (non-refundable)	\$84.00	\$86.00
Marquee up to 50m <sup>2</sup>	\$502.00	\$512.00
Marquee up to 100m <sup>2</sup>	\$835.00	\$851.50
Marquee > 100m <sup>2</sup>	\$1,330.00	\$1,356.50
<b>Add-ons</b>		
Groundsman - hourly rate (minimum 2 hours)	\$35.00	\$36.00
Toilets open	\$35.00	\$36.00
Toilets and changing rooms open	\$84.00	\$86.00

# Significant Forecasting Assumptions

## BUDGET AND FORECASTING ASSUMPTIONS AND RISK ASSESSMENT

Schedule 10 of the Local Government Act 2002 requires that the Council identifies the significant forecasting assumptions and risks underlying the financial information set out in the ten year Long-term Plan (LTP). Where there is a high level of uncertainty the Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions. The level of uncertainty is determined by reference to both the likelihood of occurrence and the financial materiality.

The Council has made a number of significant assumptions in the preparation of the financial forecasts in this LTP. These assumptions are necessary as the LTP covers a 10 year period and to ensure that there is a consistent and justifiable basis for the preparation of the financial forecasts. The significant forecasting assumptions used in developing the financial forecasts in the LTP are detailed in the table below.

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<b>General Assumptions</b>			
<p><b>Strategic Direction</b></p> <p>The strategic direction set out in the <i>Wellington 2040: Smart Capital</i> strategy will influence the way the Council delivers services and infrastructure to Wellington's residents.</p> <p>Achieving the strategic directions will ensure Wellington thrives and prospers and is resilient against threats, both natural and economic.</p> <p>The strategy is supported by Wellington's residents.</p> <p>Our four strategic goals are our community outcomes:</p> <ul style="list-style-type: none"> <li>• People City</li> <li>• Eco City</li> <li>• Connected City</li> <li>• Dynamic Central City</li> </ul>	<p>That the strategic directions will not lead to Wellington prospering and thriving.</p>	<p>Low</p>	<p>The <i>Wellington 2040: Smart Capital</i> strategy is based on a significant body of research predicting six major global trends which will impact on the city between now and 2040. Thorough and comprehensive engagement with Wellington's residents show the vision and goals in the strategy are widely supported.</p> <p>The Strategy builds on strengths and mitigates against threats.</p> <p>The strategy's overarching vision and goals guide the development of the Long-term Plan, specific strategies to achieve outcomes, how the Council's activities can best align to a smart green future, and the setting of meaningful long-term targets to measure progress.</p>

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p>Projected growth in the Wellington City economy:</p> <ul style="list-style-type: none"> <li>GDP Growth 2015-25 (Aspirational Scenario): 3.1% per annum</li> <li>Employment Growth 2015-25 (Aspirational Scenario): 1.7% per annum</li> </ul> <p>Economic growth assumptions inform the Council's Financial Strategy and aids decision-making for the LTP. This year our assumptions are informed by BERL Economics based on growth scenarios for the Wellington region and councils to 2041.</p> <p>The modelling considers four alternative futures for the Wellington Region - Business as Usual, IT, Infrastructure and Aspirational. The alternative futures (scenarios) consider the impact of various strategies on employment and GDP.</p>	<p>That economic growth is lower than forecasted due to:</p> <ul style="list-style-type: none"> <li>Local infrastructure not aligned to key regional infrastructure projects to ensure scale and needs are met by businesses and residents</li> <li>Strategies not developed to attract and retain skilled workers</li> <li>Land use planning and zoning not keeping pace with substantial population and employment growth</li> <li>Council not investing in key projects to achieve economic development at forecasted levels</li> <li>Counter-cyclic trends in underlying economic growth despite Council's efforts to stimulate economic activity.</li> </ul>	Moderate	<p>Economic growth impacts on affordability of Council rates and the utilisation of services with a user charge funding component as discretionary income is impacted. This in turn may drive changes to both operational and capital expenditure. The economic outlook also affects local businesses, level of employment and the rate of development which means it is closely correlated to the level of growth in the ratepayer base.</p> <p>It is noted that the aspirational scenario forecast is based on estimated impact of economic development activities under the Wellington Regional Strategy (WRS), rather than economic development projects specific to Wellington City Council.</p>

Projected growth change factors			LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
YEAR	POPULATION FORECAST	HOUSEHOLDS FORECAST		
2015	202,669	76,145	Low	Low to Moderate growth can be accommodated within the present level of Council infrastructure. Where higher growth requires additional infrastructure, Council will collect development contributions to meet a portion of the costs of new or upgraded investment. Capital costs over this amount would result in additional Council expenditure funded through new borrowings which would in turn result in increased rates. On average a \$1 million increase in borrowing funded capex will result in a \$140,000 increase in rates.
2016	203,933	76,807		
2017	205,199	77,495		
2018	206,665	78,201		
2019	208,056	78,914		
2020	209,473	79,607		
2021	210,826	80,272		
2022	212,083	80,947		
2023	213,615	81,635		
2024	214,854	82,308		
2025	216,289	82,984		
<b>Annual average</b>	<b>0.65%</b>	<b>0.86%</b>		

City growth assumptions underpin the Council's Asset Management Plans, capital expenditure budgets, and level of services in the LTP.

This year our assumptions are informed by Forecast.id for Wellington City modelling land development, housing markets and the role of suburbs. It is based on Statistics NZ data from the 2006 and 2013 censuses, converting usual resident data to estimated resident population for each neighbourhood. It is also mindful of larger economic and migration trends which are likely to effect the region. It provides a realistic projection based on current policy settings and how they are playing out.

See our website [www.wellington.govt.nz](http://www.wellington.govt.nz) for the population forecast for the city as a whole and for each neighbourhood together with a list of assumptions that have been incorporated in the forecast.

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY																				
<p><b>Growth in ratepayer base</b></p> <p>Council plans to invest in a range of initiatives that it will provide an economic catalyst for the city which we forecast will provide ratepayer growth of:</p> <table border="0"> <tr><td>2015/16</td><td>1.2%</td></tr> <tr><td>2016/17</td><td>1.2%</td></tr> <tr><td>2017/18</td><td>1.5%</td></tr> <tr><td>2018/19</td><td>1.5%</td></tr> <tr><td>2019/20</td><td>1.8%</td></tr> <tr><td>2020/21</td><td>1.2%</td></tr> <tr><td>2021/22</td><td>1.0%</td></tr> <tr><td>2022/23</td><td>1.0%</td></tr> <tr><td>2023/24</td><td>0.8%</td></tr> <tr><td>2024/25</td><td>0.8%</td></tr> </table>	2015/16	1.2%	2016/17	1.2%	2017/18	1.5%	2018/19	1.5%	2019/20	1.8%	2020/21	1.2%	2021/22	1.0%	2022/23	1.0%	2023/24	0.8%	2024/25	0.8%	<p>The growth in the ratepayer base is higher or lower than projected.</p>	<p>Low – Moderate</p>	<p>The Council has used current property information from its valuation service provider (Quotable Value Ltd), forward looking consenting, and historic trends to assess the level of growth in rating units, together with longer term projections from the Forecast.id modelling used in the LTP. We are also utilising modelling prepared by Price Waterhouse Coopers to assess the potential impact each of the Council's economic investment projects will have on growth in the ratepayer base. The projected growth for 2015/16 to 2017/18 is considered robust, with a higher level of estimation for out-years. Accordingly we have been conservative with our growth estimates in years 4-10 of the LTP.</p> <p>If growth is higher than forecasted, average rates funding increase will be reduced by an equivalent amount as there are a greater number of ratepayers across which the rates funding requirement will be allocated. If growth is lower than forecasted, the average rates increase for the ratepayer will be higher. The annual impact of a 1% of variance in growth in the ratepayer base is equivalent to approximately \$2.5m of rates.</p> <p>We plan to manage this risk by conducting detailed business cases for each investment to assess their cost effectiveness and economic contribution. We will also measure and report on growth in the rating base and review the projections and underlying strategy on a three yearly basis.</p>
2015/16	1.2%																						
2016/17	1.2%																						
2017/18	1.5%																						
2018/19	1.5%																						
2019/20	1.8%																						
2020/21	1.2%																						
2021/22	1.0%																						
2022/23	1.0%																						
2023/24	0.8%																						
2024/25	0.8%																						
<p><b>Forecast cost savings and efficiencies</b></p> <p>The council is targeting savings of 1% of funded operating expenditure from shared services initiatives and a range of procurement related programmes each year of the LTP, equating to approximately \$55m.</p> <p>This ongoing review will focus on:</p> <ol style="list-style-type: none"> <li>i. A review of the options, impacts and potential risks of reducing the renewals budget</li> <li>ii. The future need for assets and their ongoing strategic alignment.</li> <li>iii. The future capital programme, service levels, alternative service models, increased asset utilisation, holdings and potential income-generating opportunities.</li> <li>iv. Organisational alignment and increased use of inter council shared service alignment</li> </ol>	<p>That council does not achieve the forecast level of savings. Note that in making any decisions the Council will:</p> <ul style="list-style-type: none"> <li>• consider the need to appropriately maintain assets so that an unsustainable future financial liability does not result</li> <li>• comply with legislation</li> <li>• ensure the potential adverse impacts on the health and safety of staff and the public are adequately mitigated</li> <li>• outline levels of service impacts and any associated monitoring framework to ensure that changes are sustainable and do not cause unacceptable impacts or disruption to the services that the assets support.</li> </ul>	<p>Low – Moderate</p>	<p>The general rates requirement would increase or decrease by the difference between the actual and projected general rates reductions from savings. This would require the council to adjust rates, debt, fees and charges, and/or expenditure requirements where savings differ from those forecasted. The council has achieved additional savings targets in each of the past three years of between \$4m and \$8m. This provides confidence that further cost savings can be made, although the actual timing and impact will subject to a number of factors.</p>																				

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>Levels of Service</b></p> <p>Demand for Council services and customer expectations regarding business as usual levels of service will not significantly change and therefore there will be no significant effect on asset requirements or operating expenditure beyond those specifically planned and identified within the LTP.</p>	<p>That there are significant changes in customer expectations regarding demand for services or levels of service from those planned in the LTP.</p>	<p>Low</p>	<p>The Council has well defined service levels for its planned activities which have been reviewed as part of the LTP process.</p> <p>Customer satisfaction surveys and other engagement strategies generally support the key assumptions made within the LTP and therefore there are currently no known additional areas of the Council's service that require significant modification.</p>
<p><b>Funding for major economic growth initiatives</b></p> <p>The 2015-25 LTP identifies a number of projects that we forecast will provide a catalyst for economic and rating base growth in the city. These projects which include funding for urban development initiatives that provide a catalyst for growth and potential investment in extension of the airport runway, a film museum, indoor arena, film and tech hubs and targeted events. These projects are at different stages of development. Specific costs and timing will be clearer as we work through the project phases. Despite this uncertainty it is important that we show through the financial strategy and LTP the capacity the Council has to invest in these projects over the 10 year period of the LTP. To cater for these uncertainties we have used an envelope budgeting approach in years 4 to 10, incorporating \$200m of funding for economic catalyst projects and an additional \$76m for urban development projects. In addition we have assumed that \$90m of the total \$1.9 billion of asset investment planned across the 10 years of the LTP will be funded by an external party. We will continue to budget for the associated debt servicing costs but transfer the capital risk and debt from the Council's balance sheet.</p>	<p>That the funding allocated will be insufficient to fund all of the projects identified.</p>	<p>Moderate</p>	<p>Each of the major economic projects identified within the plan will undergo a robust business case to assess their cost effectiveness and anticipated contribution to the city economy. We cannot yet be certain that all these projects will proceed. Given the lead time it is also likely that a significant proportion of the investment will not be incurred in the first three years of the LTP. This will provide an opportunity to review the envelope funding allocation as part of the subsequent LTP in 2018.</p>
<p><b>Resource consents</b></p> <p>Conditions for existing resource consents held by Council will not be significantly altered. Any resource consents due for renewal during the 10 year period will be renewed accordingly.</p>	<p>Conditions of resource consents are altered significantly.</p> <p>Council is unable to renew existing resource consents upon expiry.</p>	<p>Low</p>	<p>The financial effect of any change to resource consent requirements would depend upon the extent of the change. A significant change in requirements could result in the Council needing to spend additional funds to enable compliance. Generally, the Council considers that it is fully compliant with existing Resource Consents and does not contemplate any material departure from these requirements over the next 10 years.</p>
<p><b>Development Contributions</b></p> <p>Significant assumptions in relation to development contributions are included within the Development Contributions Policy.</p>	<p>If growth is higher or lower than forecast, the level of development contributions collected could be insufficient to cover the costs of additional infrastructure required to meet the needs of Wellington's future population.</p>	<p>Moderate</p>	<p>The growth assumptions within the Development Contributions Policy are considered robust as they are based on the Forecast.id modelling on population, assumptions used across the LTP. The policy is adopted by Council after a robust process including the Special Consultative Procedure and external audit.</p>

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>Civil Defence and Emergency</b></p> <p>Preparedness The LTP is prepared on the basis that the city is continually improving its emergency preparedness, and whilst the impact of a major natural disaster cannot be accurately predicted (and therefore the response required), increased community preparedness and regional consistency are cornerstones of our approach.</p> <p>In line with the rest of NZ, we follow the “4Rs”:</p> <ul style="list-style-type: none"> <li>• Reduction of risk</li> <li>• Readiness for an event</li> <li>• Response when it occurs; and</li> <li>• Recovery, post-event.</li> </ul> <p>The focus areas for disaster preparedness within our plan are:</p> <ul style="list-style-type: none"> <li>• Earthquake prone buildings</li> <li>• Water</li> <li>• Wastewater</li> <li>• Transportation</li> <li>• Electricity</li> <li>• Gas</li> <li>• Telecoms</li> <li>• Welfare</li> <li>• Community preparedness</li> </ul> <p>Most hazards we prepare for have an expected probability. For example, maximum size tsunami once every 2,500 years; major quake on the Wellington fault, 10% chance in the next 100 years.</p>	<p>That a significant event occurs (e.g. a major earthquake) and:</p> <ul style="list-style-type: none"> <li>• insufficient risk reduction measures are in place to prevent large numbers of casualties, or</li> <li>• the city is unable to recover sufficiently or quickly enough in order to prevent long-term adverse effects on population or local economy.</li> </ul>	<p>Low</p>	<p>Although the probability of a major earthquake or other natural disaster within the lifespan of the LTP is low, we take Emergency Preparedness very seriously with the aim to be as prepared as possible. We believe that preparedness activities are never finished and therefore aim for continuous improvement. Although we do consider ourselves capable of dealing with a large event, we will never know how adequate our plans are until the day they are tested for real. Regardless of preparedness levels, in a major event it will always be likely that regional, national and international assistance will be required.</p> <p>Similarly, the financial impact of such an event is unknown until such an event occurs. However, it is likely to have a significant impact to the current planned expenditure within the LTP.</p>
<p><b>Government Policy</b></p> <p>Most of the local government reforms are in place. No major changes to the Local Government Act are foreseen and assumed over the period of the LTP. That the Government policy framework will continue to provide a stable working and statutory framework. Changes to the Resource Management Act (RMA) is expected.</p>	<p>That Government policy framework shifts, resulting in new or amended legislation</p>	<p>Moderate</p>	<p>The nature and significance of new or amended legislation will determine the level of response required, cost to implement and administer by Council, or result in a change to the services delivered by the Council. RMA changes might be significant but will not happen overnight.</p>

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY							
<p><b>Regional Governance Review</b></p> <p>The LTP assumes continuation of the current local authority structure within the Wellington Region. The Wellington local authorities will continue to work with the public toward a common view of regional governance.</p> <p>Council's plan does reflect the impact of other decisions made collectively by the Councils in the region, including the formation of the Wellington Regional Economic Development Agency and the expansion of Wellington Water to serve the entire metropolitan area.</p>	That councils in the region fail to lead a public discussion and reach a united and acceptable position on the issue of governance reform leading to inappropriate and/or rushed change is imposed by central government.	Moderate	<p>Any change in governance arrangements for the city and region could impact on levels of service and their costs, and alter the LTP forecast.</p> <p>The Regional Governance Review was initiated by the Wellington Regional Mayoral Forum in 2010.</p> <p>The external environment has changed since that review was initiated - including central government announcing an intention to examine reform of the sector. The Council will need to ensure its public is informed on any subsequent proposals or debate.</p> <p>Should change be supported - and pass a community poll - any impact in terms of structure, services and costs would likely only impact on the out-years of the long-term plan (years 4-10.)</p>							
<b>Significant Financial Assumptions</b>										
<p><b>Inflation</b></p> <p>The Council has adjusted base financial projections to reflect the estimated impact of inflation.</p>	That actual inflation will be significantly different from the assumed inflation.	<p>Low -Moderate Years (1-3)</p> <p>Moderate - High Years (4-10)</p> <p>High Years (11-30)</p>	<p>Inflation is affected by external economic factors, most of which are outside of the Council's control and influence.</p> <p>Council's costs and the income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made.</p>							
<p><b>Inflation Rates Applied</b></p> <p>Inflation rates have been estimated using the BERL "Forecasts of Price level Change Adjustors to 2025." The applicable rates are (shown cumulative):</p>			While individual indices will at times vary from what has been included in this LTP, the Council has relied on the assumption that the Reserve Bank will use of monetary controls to keep CPI within the 1.5 to 3% range.							
INDEX FORECAST	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9	YR 10
Roading	1.000	1.014	1.036	1.061	1.088	1.117	1.149	1.183	1.220	1.260
Property	1.000	1.024	1.050	1.078	1.107	1.139	1.174	1.211	1.250	1.294
Water	1.000	1.038	1.069	1.104	1.140	1.180	1.223	1.271	1.321	1.376
Energy	1.000	1.038	1.078	1.122	1.170	1.223	1.279	1.342	1.411	1.485
Staff	1.000	1.018	1.039	1.060	1.083	1.107	1.133	1.161	1.191	1.223
Other expense	1.000	1.025	1.051	1.080	1.111	1.143	1.180	1.218	1.261	1.306
Other income	1.000	1.019	1.039	1.061	1.083	1.107	1.133	1.160	1.188	1.218

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>Application of the Inflation Rates</b></p> <p>The inflation rates above have been applied across all items within the financial statements with the exception of:</p>		Low	
<p><b>Revenue from investment properties</b> – not inflated as most ground leases are subject to fixed rentals across the period.</p>	That the revenue streams identified are influenced by changes in prices or the rate of inflation.	Low – moderate	The assumption is considered reasonable in these cases due to the specific circumstances noted.
<p><b>Petrol tax</b> – forecast to remain constant. Revenue from petrol tax is driven by tax rates and volumes – both of which are expected to remain constant over the 10 year period.</p>	That the revenue streams identified fluctuate annually as a result of external factors outside the control of the Council.	Moderate	Although the revenue streams may vary annually due to factors outside the control of the Council (eg, petrol consumption may vary and therefore affect the revenue received from Petrol Tax) it is not considered that annual variances will have a material effect on the financial forecasts in the LTP.
<p><b>Interest revenue and expenditure</b> – Interest rates do not increase annually in line with rates of inflation. Interest rates have been forecast to remain constant. Refer section below.</p>	N/A		
<p><b>Grants</b> – Our grant schemes and grants to other organisations do not increase with inflation and remain constant until Council make a decision to change the level of the grants. Therefore our assumption is there will be no change to the value of our grants over the 10 year period.</p>	That cost pressures experienced by organisations receiving grants is such that Council are inclined to increase grant funds available.	Moderate	While no inflation is applied to grant funding the actual level of funding proposed is reconsidered on an annual basis taking these factors into account.
<p><b>Dividends</b> – Although rates of inflation will affect the revenues and expenditures of those entities distributing dividends to the Council it is not anticipated that the level of dividend will be influenced by rates of inflation in the future.</p>	N/A		
<p><b>Expected interest rates on borrowings</b></p> <p>Interest is calculated using the following interest rates:</p>	That prevailing interest rates will differ significantly from those estimated.	Moderate	Interest rates are largely driven by factors external to the NZ economy. Council manages its exposure to adverse changes in interest rates through the use of interest rate swaps. At any time Council policy is to have a minimum level of interest rate hedging equivalent to 50% of core borrowings. Based on the minimum hedging profile, a 0.1% movement in interest rates will increase/decrease annual interest expense by between \$200,000 and \$550,000 per annum across the ten years of the LTP.
<p>2015/16 5.60% per annum</p> <p>2016/17 5.60% per annum</p> <p>2017/18 5.90% per annum</p> <p>2018/19 6.00% per annum</p> <p>2019/20 6.00% per annum</p> <p>2020/21 6.10% per annum</p> <p>2021/22 6.10% per annum</p> <p>2022/23 6.20% per annum</p> <p>2023/24 6.70% per annum</p> <p>2024/25 6.80% per annum</p>			

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<b>Expected return on investments</b>			
Council has forecast the following returns for significant investments:			
<p><b>Wellington International Airport Limited shareholding</b> - it is assumed that the Council will retain its existing investment in WIAL of 34% and that a regular flow of revenue will be received by way of dividend. The forecast annual dividend from Wellington International Airport Limited is \$11 million for 2015/16.</p>	That Council will not achieve the forecast level of dividends.	Moderate	The level of dividend is dependent on the financial performance of the company. If the actual returns are significantly less than forecast, the council will need to look for alternative funding through rates or borrowings. If the actual returns are significantly more than forecast, the Council may be able to reduce rates or forecast borrowings.
<p><b>Wellington Cable Car Limited</b> - it is assumed that the Council will retain its existing investment at current levels with the exception of a \$2.5 million investment in 2016/17 to fund replacement of the electric drive for the Cable Car. No dividends are assumed across the 10 year period.</p>	That actual levels of dividends differ from those forecasted in the plan.	Low	The level of dividend is dependent on the financial performance of the company. If the actual returns are significantly less than forecast, the council will need to look for alternative funding through rates or borrowings. If the actual returns are significantly more than forecast, the Council may be able to reduce rates or forecast borrowings.
<p>The Greater Wellington Regional Council has signalled that the Wellington trolley-bus network will be decommissioned in 2017. WCC has written down the carrying value of its overhead wires &amp; pole network accordingly, but has assumed that GWRC will meet any costs of dismantled the network.</p>	The WCC incurs some cost in decommissioning the network.	Moderate	WCCL is currently undertaking an assessment of the cost of decommissioning. Until this is known the cost implications for GWRC and WCC are unknown.
<p><b>Wellington Regional Stadium Trust loan</b> - in accordance with the terms of the loan, no interest has been forecasted across the 10 year period.</p> <p>The loan is due to be repaid once the Trust has repaid all of its other liabilities and borrowings. The Trust may return part of its annual operating surplus to the Council to repay all or part of the outstanding loan.</p>	That the loan will not be repaid	Low	As the Trust is currently servicing its other loan obligations to commercial lenders, the Council considers that it is unlikely that the Trust will make an annual repayment of the outstanding loan. Once these commercial loans have been repaid the Council expects that the Trust will be in a position to repay the loan advanced by the Council. There is currently no information / reason to suggest that the Trust will not be in a position to repay the Council's loan.
<p><b>Convention Centre</b></p> <p>It is assumed that the operating costs of the proposed Wellington Convention Centre will be offset by dividends of \$1.4m in 2021/22, increasing to \$2.2m in 2024/25.</p>	That operating profits and the dividend returned to Council are lower than forecast	Moderate	Profit and dividend forecasts assume a mid-case scenario based on a business case with robust and sound assumptions. A range of industry experts (including Price Waterhouse Coopers, BERL Economics, Howarth HTL Ltd, and Covec Ltd) were engaged in preparing market analysis, economic projections, property advice and assessment, and reviewing the draft business case. It is also prepared in full knowledge of the planned developments in other regions.

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>New Zealand Transport Authority (NZTA) funding</b></p> <p>Council has made assumptions on the level of subsidies it expects to receive from central government through the NZTA over the period of the LTP. The NZTA Funding Assistance Rates Review was finalised in October 2014. The agreed funding assistance rates for both the 2015-18 National Land Transport Programme (NLTP) period and at the end of the transition are as below:</p> <p>2015/16 48%</p> <p>2016/17 49%</p> <p>2017/18 50%</p> <p>2023/24 51% (end of transition)</p>	<p>NZTA make further changes to the subsidy rate, the funding cap or the criteria for inclusion in the subsidised works programme.</p>	<p>Low</p>	<p>Variations in the subsidy rates of approx 1% would not impact the Council's funding income stream due to current eligible expenditure being in excess of the current funding cap.</p>
<p><b>Vested assets</b></p> <p>No vesting of assets is forecast across the 10 year period.</p>	<p>That Council will have assets vested thereby increasing the depreciation expense in subsequent years.</p>	<p>High</p>	<p>The level of vested assets fluctuates considerably from year to year and is unpredictable. Historical levels have not been material. The recognition of vested assets in the income statement is non-cash in nature and will have no effect on rates. The financial effect of the uncertainty is expected to be low.</p>
<p><b>Sale of Assets</b></p> <p>We have assumed asset sales of \$52m will be realised to repay borrowings across the 10 year period.</p>	<p>That the sale of assets do not occur at forecasted levels</p>	<p>Moderate</p>	<p>If the level of asset sales is less than forecasted, either our level of debt will increase by the relevant amount or Council may consider revising its level of asset investment. The interest cost of servicing this debt will be lower or higher depending on the level of asset sales.</p>
<p><b>Sources of funds for the future replacement of significant assets</b></p> <p>Sources of funds for operating and capital expenditure are as per the Revenue and Financing Policy (refer Volume 2, page 3).</p>	<p>That sources of funds are not achieved</p>	<p>Low</p>	<p>User charges have been set at previously achieved levels. Depreciation is funded through rates. The Council is able to access borrowings at levels forecast within the LTP.</p>

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>Useful lives of significant assets</b></p> <p>The useful lives of significant assets is shown in the Statement of Accounting Policies (refer page 189).</p> <p>It is assumed that there will be no reassessment of useful lives throughout the 10 year period.</p> <p>It is assumed that assets will be replaced at the end of their useful life.</p> <p>Planned asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets.</p>	<p>That assets wear out earlier or later than estimated.</p> <p>That Council activities change, resulting in decisions not to replace existing assets.</p> <p>That Council replaces assets before the end of useful life.</p> <p>That more detailed analysis of planned capital projects may alter the useful life and therefore the depreciation expense.</p>	<p>Low – asset lives are based on estimates made by engineers and registered valuers</p> <p>Low</p> <p>Low</p>	<p>The financial effect of the uncertainty is likely to be immaterial. Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>However, these impacts could be mitigated as capital projects could be reprioritised in the event of early expiration of assets.</p> <p>Council has a comprehensive asset management planning process. Where a decision is made not to replace an asset, this will be factored into capital projections.</p> <p>Asset capacity and condition is monitored, with replacement works being planned accordingly. Depreciation is calculated in accordance with accounting and asset management requirements.</p>
<p><b>Revaluation of property, plant and equipment</b></p> <p>These forecasts include a three yearly estimate to reflect the change in asset valuations for property, plant and equipment in accordance with the Council's accounting policies (refer pages 187-188).</p> <p>The following assumptions have been applied to projected asset revaluations:</p> <ul style="list-style-type: none"> <li>• Revaluation movements shall equate the inflation rates applied for all depreciable property, plant and equipment (refer section "Inflation")</li> <li>• The depreciation impact of inflation shall be in the year following revaluation</li> <li>• The value of non-depreciable assets (e.g. land) is forecast to remain constant.</li> </ul>	<p>That actual revaluation movements will be significantly different from those forecast</p>	<p>Low</p>	<p>The majority of Council's depreciable property, plant and equipment assets is valued on a depreciated replacement cost basis. Therefore, using the projected inflation rate as a proxy for revaluation movements is appropriate and consistent with the treatment of price changes generally within the LTP.</p> <p>For land assets valued at market value (based on sales evidence), values have been assumed to remain constant. This reflects the wide disparity in views on the sustainability of current residential market prices.</p>
<p><b>Revaluation of investment properties</b></p> <p>It is assumed that the value of investment properties accounted for at fair/market value will remain constant across the 10 year plan.</p>	<p>That actual revaluation movements will be significantly different from those forecast</p>	<p>Moderate</p>	<p>For assets valued at market value (based on sales evidence), values have been assumed to remain constant. This assumption has no impact on depreciation as these assets are not depreciated.</p>
<p><b>LGFA Guarantee</b></p> <p>Each of the shareholders of the LGFA is a party to a deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and the guarantee obligations of other participating local authorities to the LGFA, in the event of default.</p>	<p>In the event of a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantors relative rates income.</p>	<p>Low</p>	<p>The Council believes the risk of the guarantee being called on and any financial loss arising from the guarantee is low. The likelihood of a local authority borrower defaulting is extremely low and all of the borrowings by a local authority from the LGFA are secured by a rates charge.</p>

FORECASTING ASSUMPTIONS	RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p><b>Renewal of External Funding</b></p> <p>It is assumed that Council will be able to renew existing borrowings on equivalent terms.</p>	<p>That new borrowings cannot be accessed to fund future capital requirements</p>	<p>Low</p>	<p>The Council minimises its liquidity risk by maintaining a mix of current and non-current borrowings in accordance with its Investment and Liability Management Policy.</p> <p>In accordance with the Liability Management Policy the Council must maintain its borrowing facilities at a level that exceeds 110% of peak borrowing levels over the next 12 months.</p>
<p><b>Weathertight Homes</b></p> <p>The Council will continue to spread the cost incurred by Council in settling weathertight homes claims by funding claims from borrowings and spreading the rates funded repayment across a number of years. The LTP assumes that the Council's weathertight homes liability will be fully settled and the associated borrowing repaid over the 10 years of this LTP.</p>	<p>That the level of the claims and settlements is higher than provided for within the LTP.</p>	<p>Low</p>	<p>The weathertight homes liability is an actuarial calculation based on the best information currently available. The liability provided for within the Council's financial statements is \$50m, a 1% change in this figure would equate to \$0.5m.</p>
<p><b>General Rates Differential</b></p> <p>It is assumed that the general rates differential will remain at 2.8:1 Commercial: Base/Residential over the period of the LTP.</p>	<p>That Council makes the decision to change the general rates differential from forecast.</p>	<p>Low</p>	<p>If for any reason Council were compelled to make a decision to change the general rate differential, the maximum it could be expected to move would be from 2.8:1 to 1:1 Commercial:Base/Residential. This could potentially transfer the rates impost from Commercial ratepayers back to Base/Residential ratepayers of approximately \$35m-\$57m per annum.</p>

## Projects and Programmes

### Operational Expenditure

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)	
City governance and engagement	C530	Annual Planning	Expense	1,109	1,125	1,142	1,201	1,237	1,269	1,298	1,323	1,351	1,389	12,444	
	C532	Policy	Expense	1,478	1,508	1,534	1,615	1,667	1,711	1,749	1,776	1,800	1,853	16,691	
	C534	Committee & Council Process	Expense	5,810	6,718	5,911	6,327	7,444	6,656	6,928	8,006	6,892	7,155	67,848	
			Income	(12)	(385)	(13)	(13)	(409)	(14)	(14)	(438)	(15)	(15)	(1,327)	
	C582	Strategic Planning	Expense	954	967	977	1,022	1,070	1,100	1,128	1,152	1,185	1,231	10,786	
	C590	Tawa Comm Brd - Discretionary	Expense	11	11	11	12	12	12	13	13	13	13	14	121
C616	Smart Capital - Marketing	Expense	539	552	566	582	599	616	636	656	679	704	6,129		
<b>City governance and engagement Total</b>				<b>9,888</b>	<b>10,497</b>	<b>10,129</b>	<b>10,745</b>	<b>11,621</b>	<b>11,350</b>	<b>11,737</b>	<b>12,488</b>	<b>11,907</b>	<b>12,330</b>	<b>112,692</b>	
Civic information	C334	WCC City Service Centre	Expense	983	1,005	1,021	1,069	1,116	1,147	1,175	1,195	1,217	1,261	11,189	
			Income	(117)	(119)	(122)	(124)	(127)	(130)	(133)	(136)	(139)	(143)	(1,290)	
	C338	Call Centre SLA	Expense	2,255	2,304	2,343	2,471	2,559	2,626	2,681	2,716	2,742	2,823	25,521	
			Income	(12)	(12)	(12)	(13)	(13)	(13)	(14)	(14)	(14)	(14)	(15)	(132)
	C340	Valuation Services Contract	Expense	680	697	715	734	756	777	803	828	858	888	888	7,736
			Income	(184)	(187)	(191)	(195)	(199)	(204)	(208)	(213)	(213)	(219)	(224)	(2,025)
C355	Lands Information	Expense	1,517	1,534	1,559	1,642	1,700	1,745	1,782	1,807	1,807	1,830	1,885	17,001	
<b>Civic information Total</b>				<b>5,122</b>	<b>5,221</b>	<b>5,312</b>	<b>5,585</b>	<b>5,791</b>	<b>5,949</b>	<b>6,086</b>	<b>6,183</b>	<b>6,275</b>	<b>6,476</b>	<b>58,000</b>	
City Archives	C373	Archives	Expense	1,758	1,886	1,924	2,015	2,085	2,140	2,186	2,226	2,267	2,344	20,830	
			Income	(182)	(186)	(189)	(193)	(197)	(202)	(207)	(211)	(217)	(217)	(222)	(2,007)

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>City Archives Total</b>				<b>1,575</b>	<b>1,700</b>	<b>1,735</b>	<b>1,821</b>	<b>1,888</b>	<b>1,938</b>	<b>1,979</b>	<b>2,014</b>	<b>2,050</b>	<b>2,122</b>	<b>18,823</b>
<b>Governance, information and engagement Total</b>				<b>16,586</b>	<b>17,418</b>	<b>17,175</b>	<b>18,152</b>	<b>19,300</b>	<b>19,238</b>	<b>19,802</b>	<b>20,686</b>	<b>20,232</b>	<b>20,928</b>	<b>189,516</b>
Māori and Mana Whenua partnerships	C529	Funding agreements - Māori	Expense	203	208	213	219	224	231	238	245	253	262	2,297
	C683	Māori Engagement	Expense	79	80	83	85	87	90	93	96	99	103	893
<b>Māori and Mana Whenua partnerships Total</b>				<b>281</b>	<b>288</b>	<b>296</b>	<b>304</b>	<b>312</b>	<b>321</b>	<b>330</b>	<b>340</b>	<b>352</b>	<b>365</b>	<b>3,190</b>
<b>Governance Total</b>				<b>16,867</b>	<b>17,706</b>	<b>17,471</b>	<b>18,456</b>	<b>19,612</b>	<b>19,558</b>	<b>20,132</b>	<b>21,026</b>	<b>20,584</b>	<b>21,293</b>	<b>192,706</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Local parks and open spaces	A004	Parks and Reserves Planning	Expense	646	656	635	668	704	722	740	761	778	801	7,110
	A011	Reserves Unplanned Maintenance	Expense	171	175	179	185	206	211	218	231	238	247	2,060
	C515	Turf Management	Expense	1,184	1,205	1,224	1,282	1,328	1,348	1,379	1,412	1,440	1,480	13,284
			Income	(8)	(8)	(8)	(8)	(8)	(9)	(9)	(9)	(9)	(9)	(86)
	C517	Park Furniture Maintenance	Expense	1,637	1,618	1,659	1,744	1,821	1,826	1,718	1,825	1,887	1,937	17,671
	C518	Maintenance- Park/ Build/Infrastructure	Expense	1,800	1,817	1,876	1,870	1,910	1,894	1,989	2,011	2,015	2,098	19,280
			Income	(199)	(203)	(207)	(211)	(215)	(220)	(225)	(231)	(236)	(242)	(2,188)
	C563	Horticultural Operations	Expense	1,900	1,922	1,944	2,036	2,114	2,162	2,214	2,275	2,332	2,397	21,295
			Income	(30)	(31)	(31)	(32)	(32)	(33)	(34)	(35)	(36)	(36)	(330)
	C564	Arboricultural Operations	Expense	1,417	1,419	1,459	1,494	1,543	1,554	1,566	1,603	1,612	1,653	15,321
			Income	(178)	(181)	(185)	(189)	(192)	(197)	(201)	(206)	(211)	(216)	(1,956)
<b>Local parks and open spaces Total</b>				<b>8,341</b>	<b>8,390</b>	<b>8,547</b>	<b>8,839</b>	<b>9,177</b>	<b>9,259</b>	<b>9,355</b>	<b>9,636</b>	<b>9,811</b>	<b>10,107</b>	<b>91,462</b>
Botanical gardens	C560	Botanic Gardens Services	Expense	4,752	4,921	5,050	5,352	5,547	5,729	5,839	6,069	6,248	6,465	55,971
			Income	(387)	(394)	(402)	(410)	(419)	(428)	(438)	(448)	(459)	(471)	(4,255)
<b>Botanical gardens Total</b>				<b>4,365</b>	<b>4,527</b>	<b>4,648</b>	<b>4,942</b>	<b>5,128</b>	<b>5,301</b>	<b>5,401</b>	<b>5,621</b>	<b>5,789</b>	<b>5,994</b>	<b>51,716</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Beaches and coast operations	C298	Coastal Operations	Expense	1,409	1,445	1,112	1,163	1,192	1,225	1,245	1,275	1,323	1,365	12,753
			Income	(51)	(52)	(53)	(54)	(55)	(56)	(58)	(59)	(61)	(62)	(561)
<b>Beaches and coast operations Total</b>				<b>1,358</b>	<b>1,393</b>	<b>1,059</b>	<b>1,109</b>	<b>1,137</b>	<b>1,168</b>	<b>1,188</b>	<b>1,216</b>	<b>1,262</b>	<b>1,303</b>	<b>12,191</b>
Roads open spaces	C006	Open Space Vegetation Management	Expense	0	0	0	0	0	0	0	0	0	0	0
			Income											
	C006A	Road Corridor Growth Control	Expense	1,293	1,322	1,351	1,398	1,439	1,479	1,523	1,566	1,615	1,669	14,654
			Income	(411)	(428)	(445)	(463)	(473)	(483)	(495)	(507)	(519)	(532)	(4,755)
	C289	Street Cleaning	Expense	6,854	7,104	7,368	7,688	7,988	8,315	8,687	8,954	9,254	9,578	81,789
			Income	(284)	(300)	(316)	(333)	(344)	(356)	(369)	(378)	(387)	(397)	(3,463)
<b>Roads open spaces Total</b>				<b>7,451</b>	<b>7,699</b>	<b>7,958</b>	<b>8,289</b>	<b>8,610</b>	<b>8,955</b>	<b>9,346</b>	<b>9,635</b>	<b>9,963</b>	<b>10,318</b>	<b>88,225</b>
Town belts	A008	Hazardous Trees Removal	Expense	446	455	464	482	496	509	523	537	552	569	5,032
			Income	(6)	(6)	(6)	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(64)
	C514	Town Belts Planting	Expense	707	718	726	744	755	775	798	829	852	879	7,783
	C524	Townbelt/Reserves Management	Expense	3,511	3,819	4,149	4,686	5,052	5,278	5,394	5,842	6,488	6,736	50,955
			Income	(244)	(249)	(254)	(259)	(264)	(270)	(277)	(283)	(290)	(297)	(2,687)
	<b>Town belts Total</b>				<b>4,415</b>	<b>4,736</b>	<b>5,079</b>	<b>5,648</b>	<b>6,032</b>	<b>6,285</b>	<b>6,432</b>	<b>6,918</b>	<b>7,595</b>	<b>7,879</b>
Community environmental initiatives	C513	Community greening initiatives	Expense	623	670	666	750	802	806	829	878	882	909	7,816
	C652	Environmental Grants Pool	Expense	120	121	101	101	102	102	102	103	103	103	1,058
<b>Community environmental initiatives Total</b>				<b>743</b>	<b>790</b>	<b>767</b>	<b>851</b>	<b>904</b>	<b>908</b>	<b>932</b>	<b>981</b>	<b>985</b>	<b>1,012</b>	<b>8,874</b>
Walkways	C561	Walkway Maintenance	Expense	582	600	639	686	731	756	781	827	856	879	7,337
<b>Walkways Total</b>				<b>582</b>	<b>600</b>	<b>639</b>	<b>686</b>	<b>731</b>	<b>756</b>	<b>781</b>	<b>827</b>	<b>856</b>	<b>879</b>	<b>7,337</b>
Biodiversity (pest management)	C509	Weeds & Hazardous Trees Monitoring	Expense	1,366	1,395	1,403	1,413	1,467	1,499	1,537	1,581	1,621	1,665	14,947
			Income	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(423)
	C510	Animal Pest Management	Expense	339	505	574	550	563	578	598	627	647	669	5,648

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Biodiversity (pest management) Total</b>				<b>1,666</b>	<b>1,860</b>	<b>1,938</b>	<b>1,922</b>	<b>1,989</b>	<b>2,034</b>	<b>2,091</b>	<b>2,163</b>	<b>2,222</b>	<b>2,287</b>	<b>20,172</b>
Waterfront Public Space	C701	Waterfront Public Space Management	Expense	1,737	1,726	1,765	2,103	2,164	1,828	1,884	1,818	1,748	1,804	18,576
			Income	(301)	(307)	(313)	(319)	(326)	(333)	(341)	(349)	(358)	(367)	(3,313)
<b>Waterfront Public Space Total</b>				<b>1,436</b>	<b>1,419</b>	<b>1,452</b>	<b>1,783</b>	<b>1,838</b>	<b>1,495</b>	<b>1,543</b>	<b>1,469</b>	<b>1,390</b>	<b>1,437</b>	<b>15,263</b>
<b>Gardens, beaches and green open spaces Total</b>				<b>30,357</b>	<b>31,415</b>	<b>32,086</b>	<b>34,069</b>	<b>35,546</b>	<b>36,161</b>	<b>37,069</b>	<b>38,466</b>	<b>39,873</b>	<b>41,217</b>	<b>356,259</b>
Waste minimisation, disposal and recycling management	C076	Landfill Operations & Maintenance	Expense	3,396	3,692	3,778	3,787	3,879	4,004	4,117	4,244	4,391	4,535	39,823
			Income	(5,151)	(5,249)	(5,319)	(5,961)	(6,072)	(6,260)	(5,985)	(6,474)	(6,626)	(6,872)	(59,970)
	C078A	Suburban Refuse Collection	Expense	2,856	2,926	2,999	3,089	3,181	3,275	3,379	3,485	3,603	3,730	32,523
			Income	(3,362)	(3,426)	(3,493)	(3,567)	(3,641)	(3,721)	(3,809)	(3,900)	(3,994)	(4,095)	(37,005)
	C079	Domestic Recycling	Expense	4,676	4,790	4,906	5,045	5,192	5,344	5,511	5,680	5,869	6,073	53,085
			Income	(3,304)	(3,600)	(3,735)	(3,164)	(3,230)	(3,302)	(3,379)	(3,460)	(3,543)	(3,633)	(34,350)
	C391	Waste Minimisation Info	Expense	1,817	1,833	1,864	1,922	1,944	1,992	2,020	2,039	2,089	2,152	19,673
			Income	(1,013)	(1,032)	(1,053)	(1,075)	(1,097)	(1,121)	(1,148)	(1,175)	(1,203)	(1,234)	(11,151)
	C558	Litter Enforcement	Expense	92	94	95	100	104	107	110	111	113	117	1,044
<b>Waste minimisation, disposal and recycling management Total</b>				<b>7</b>	<b>28</b>	<b>44</b>	<b>174</b>	<b>260</b>	<b>318</b>	<b>817</b>	<b>551</b>	<b>699</b>	<b>772</b>	<b>3,671</b>
Closed landfills aftercare	C077	Closed Landfill Gas Migration Monitoring	Expense	522	414	322	254	230	203	309	284	252	184	2,975
<b>Closed landfills aftercare Total</b>				<b>522</b>	<b>414</b>	<b>322</b>	<b>254</b>	<b>230</b>	<b>203</b>	<b>309</b>	<b>284</b>	<b>252</b>	<b>184</b>	<b>2,975</b>
Energy efficiency and conservation	C662	Smart Energy	Expense	282	334	134	135	136	137	197	139	140	142	1,774
			Income	(46)	(47)									(93)
<b>Energy efficiency and conservation Total</b>				<b>236</b>	<b>287</b>	<b>134</b>	<b>135</b>	<b>136</b>	<b>137</b>	<b>197</b>	<b>139</b>	<b>140</b>	<b>142</b>	<b>1,681</b>
<b>Waste reduction and energy conservation Total</b>				<b>765</b>	<b>729</b>	<b>499</b>	<b>563</b>	<b>626</b>	<b>658</b>	<b>1,323</b>	<b>974</b>	<b>1,091</b>	<b>1,098</b>	<b>8,327</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)	
Water network	C112	Water - Meter Reading	Expense	134	134	137	141	145	149	154	158	163	168	1,483	
	C113	Water - Network Maintenance	Expense	3,894	3,958	4,054	4,203	4,321	4,443	4,582	4,724	4,884	5,053	44,116	
	C412	Water - Water Connections	Expense	0	0	0	0	0	0	0	0	0	0	0	0
			Income	(35)	(35)	(36)	(37)	(38)	(38)	(39)	(40)	(41)	(42)	(382)	
	C462	Water - Pump Stations Maintenance/ Operations	Expense	960	981	1,010	1,045	1,080	1,116	1,156	1,199	1,247	1,297	11,091	
	C463	Water - Asset Stewardship	Expense	17,155	17,442	18,790	19,264	19,531	20,865	21,048	21,344	23,333	23,496	202,268	
	C536	Water - Reservoir/ Dam Maintenance	Expense	103	100	130	107	109	112	115	150	121	125	1,172	
	C547	Water - Monitoring & Investigation	Expense	531	551	579	614	649	687	729	751	776	802	6,668	
C671	Water - Asset Management	Expense	618	621	611	635	652	669	687	704	724	746	6,668		
<b>Water network Total</b>				<b>23,360</b>	<b>23,752</b>	<b>25,274</b>	<b>25,973</b>	<b>26,450</b>	<b>28,003</b>	<b>28,431</b>	<b>28,989</b>	<b>31,206</b>	<b>31,646</b>	<b>273,084</b>	
Water collection and treatment	C115	Water - Bulk Water Purchase	Expense	14,932	16,179	17,219	19,110	21,217	23,798	25,752	26,663	28,076	29,469	222,414	
<b>Water collection and treatment Total</b>				<b>14,932</b>	<b>16,179</b>	<b>17,219</b>	<b>19,110</b>	<b>21,217</b>	<b>23,798</b>	<b>25,752</b>	<b>26,663</b>	<b>28,076</b>	<b>29,469</b>	<b>222,414</b>	
<b>Water Total</b>				<b>38,292</b>	<b>39,931</b>	<b>42,493</b>	<b>45,083</b>	<b>47,667</b>	<b>51,800</b>	<b>54,183</b>	<b>55,652</b>	<b>59,282</b>	<b>61,115</b>	<b>495,498</b>	
Sewage collection and disposal network	A041	Wastewater - Asset Stewardship	Expense	13,748	14,043	15,139	15,730	16,069	17,136	17,387	17,721	19,323	19,618	165,914	
			Income	(615)	(627)	(639)	(652)	(666)	(681)	(697)	(713)	(731)	(749)	(6,769)	
	C084	Wastewater - Trade Waste Monitoring & Investigation	Expense	222	212	215	226	231	237	242	247	253	260	2,346	
	C086A	Wastewater - Network Maintenance	Expense	2,226	2,254	2,304	2,388	2,454	2,522	2,597	2,672	2,757	2,849	25,025	
	C497	Wastewater - Asset Management	Expense	561	561	578	564	610	632	610	625	643	662	6,045	

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	C501	Wastewater - Monitoring & Investigation	Expense	1,289	1,304	1,294	1,324	1,346	1,381	1,391	1,425	1,464	1,507	13,724
	C502	Wastewater - Pump Station Maintenance/ Operations	Expense	1,111	1,134	1,165	1,225	1,264	1,305	1,350	1,398	1,451	1,508	12,910
<b>Sewage collection and disposal network Total</b>				<b>18,542</b>	<b>18,881</b>	<b>20,056</b>	<b>20,805</b>	<b>21,308</b>	<b>22,533</b>	<b>22,880</b>	<b>23,375</b>	<b>25,160</b>	<b>25,655</b>	<b>219,195</b>
Sewage treatment	C087	Wastewater - Treatment Plants	Expense	20,779	21,656	22,831	23,761	24,919	26,344	27,556	28,791	30,611	31,907	259,155
	C347	Sewerage Disposal	Expense	1,875	1,939	1,997	2,048	2,100	2,162	2,199	2,258	2,349	2,423	21,350
			Income	(618)	(629)	(642)	(655)	(669)	(684)	(700)	(716)	(734)	(752)	(6,799)
<b>Sewage treatment Total</b>				<b>22,036</b>	<b>22,966</b>	<b>24,186</b>	<b>25,153</b>	<b>26,350</b>	<b>27,822</b>	<b>29,055</b>	<b>30,333</b>	<b>32,227</b>	<b>33,577</b>	<b>273,706</b>
<b>Wastewater Total</b>				<b>40,578</b>	<b>41,847</b>	<b>44,242</b>	<b>45,958</b>	<b>47,658</b>	<b>50,355</b>	<b>51,936</b>	<b>53,708</b>	<b>57,387</b>	<b>59,232</b>	<b>492,901</b>
Stormwater management	A041A	Stormwater - Asset Stewardship	Expense	12,984	13,418	14,602	15,491	15,988	16,957	17,356	17,918	19,698	20,189	164,600
	C086C	Stormwater - Network Maintenance	Expense	1,966	1,989	2,033	2,104	2,162	2,221	2,287	2,353	2,427	2,507	22,049
	C090	Stormwater - Monitoring & Investigation	Expense	721	811	673	700	720	738	931	779	802	827	7,702
			Income	(10)	(10)	(10)	(10)	(10)	(11)	(11)	(11)	(11)	(12)	(105)
	C498	Stormwater - Asset Management	Expense	894	790	731	688	742	742	753	771	791	813	7,716
	C677	Drainage Maintenance	Expense	984	1,007	1,031	1,063	1,094	1,125	1,160	1,195	1,235	1,278	11,173
			Income	(136)	(142)	(148)	(154)	(157)	(160)	(164)	(168)	(172)	(177)	(1,578)
	C689	Stormwater - Pump Station Maintenance/ Operations	Expense	38	39	40	41	42	43	45	46	47	49	430
<b>Stormwater management Total</b>				<b>17,442</b>	<b>17,902</b>	<b>18,953</b>	<b>19,923</b>	<b>20,580</b>	<b>21,655</b>	<b>22,356</b>	<b>22,883</b>	<b>24,817</b>	<b>25,476</b>	<b>211,986</b>
<b>Stormwater Total</b>				<b>17,442</b>	<b>17,902</b>	<b>18,953</b>	<b>19,923</b>	<b>20,580</b>	<b>21,655</b>	<b>22,356</b>	<b>22,883</b>	<b>24,817</b>	<b>25,476</b>	<b>211,986</b>
Conservation visitor attractions	A288	Karori Sanctuary	Expense	1,490	1,532	1,532	1,532	1,564	1,564	1,565	1,586	1,586	1,587	15,538

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	C046	Wellington Zoo Trust	Expense	4,969	5,093	5,200	5,289	5,384	5,484	5,597	5,612	5,707	5,790	54,126
	C426	Marine Conservation Centre	Expense	0	0	6,167	291	268	229	188	149	101	50	7,441
<b>Conservation visitor attractions Total</b>				<b>6,459</b>	<b>6,625</b>	<b>12,899</b>	<b>7,112</b>	<b>7,215</b>	<b>7,277</b>	<b>7,349</b>	<b>7,347</b>	<b>7,394</b>	<b>7,427</b>	<b>77,105</b>
<b>Conservation attractions Total</b>				<b>6,459</b>	<b>6,625</b>	<b>12,899</b>	<b>7,112</b>	<b>7,215</b>	<b>7,277</b>	<b>7,349</b>	<b>7,347</b>	<b>7,394</b>	<b>7,427</b>	<b>77,105</b>
<b>Environment Total</b>				<b>133,893</b>	<b>138,449</b>	<b>151,172</b>	<b>152,708</b>	<b>159,292</b>	<b>167,907</b>	<b>174,216</b>	<b>179,029</b>	<b>189,844</b>	<b>195,565</b>	<b>1,642,077</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
WREDA	C105	Positively Wellington Tourism	Expense	5,630	5,630	5,630	5,630	5,630	5,630	5,630	5,630	5,630	5,630	56,300
	C581	Events Fund	Expense	4,723	4,523	4,773	5,023	5,023	5,023	5,023	5,023	5,023	5,023	49,181
	C686	Wellington Venues	Expense	18,596	18,941	19,071	20,192	20,362	20,469	21,634	22,215	22,859	24,463	208,803
			Income	(14,365)	(14,638)	(14,925)	(15,241)	(15,557)	(15,902)	(16,275)	(16,663)	(17,065)	(17,496)	(158,128)
	C690	Destination Wellington	Expense	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	17,750
	C695	City Innovation	Expense	836	849	863	800	823	844	862	875	889	912	8,553
<b>WREDA Total</b>				<b>17,195</b>	<b>17,080</b>	<b>17,187</b>	<b>18,180</b>	<b>18,056</b>	<b>17,839</b>	<b>18,648</b>	<b>18,856</b>	<b>19,111</b>	<b>20,307</b>	<b>182,459</b>
Wellington Convention Centre	C703	Wellington Convention Centre	Expense			2,046	4,231	4,375	4,524	4,679	4,838	5,003	5,174	34,871
			Income						(709)	(2,058)	(2,102)	(2,147)	(2,194)	(9,211)
<b>Wellington Convention Centre Total</b>						<b>2,046</b>	<b>4,231</b>	<b>4,375</b>	<b>3,815</b>	<b>2,620</b>	<b>2,736</b>	<b>2,856</b>	<b>2,980</b>	<b>25,660</b>
Retail support (free weekend parking)	C105B	CBD Weekend Parking	Expense	1,356	1,391	1,427	1,467	1,511	1,555	1,607	1,659	1,719	1,781	15,473
<b>Retail support (free weekend parking) Total</b>				<b>1,356</b>	<b>1,391</b>	<b>1,427</b>	<b>1,467</b>	<b>1,511</b>	<b>1,555</b>	<b>1,607</b>	<b>1,659</b>	<b>1,719</b>	<b>1,781</b>	<b>15,473</b>
WEID, Economic Growth & Economic Grants	C647	Economic Developmnt Grant Pool	Expense	50	50	50	50	50	50	50	50	50	50	500
	C693	Economic Growth Strategy	Expense	549	555	562	591	612	628	642	655	672	693	6,159

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	C696	Economic Development Fund	Expense	3,000	3,075	3,153	3,240	3,333	3,429	3,540	3,654	3,783	3,918	34,125
<b>WEID, Economic Growth &amp; Economic Grants Total</b>				<b>3,599</b>	<b>3,680</b>	<b>3,765</b>	<b>3,881</b>	<b>3,995</b>	<b>4,107</b>	<b>4,232</b>	<b>4,359</b>	<b>4,505</b>	<b>4,661</b>	<b>40,784</b>
Major Economic Projects	C704	Airport Runway Extension	Expense					2,167	4,334	6,500	6,500	6,500	6,500	32,501
	C705	Indoor Arena	Expense	0	0	0	0	0	230	1,861	4,199	4,639	4,710	15,639
	C707	Film Museum	Expense	0	0	0	0	0	118	705	1,418	1,609	1,576	5,426
	C709	Westpac Stadium	Expense		5,000									5,000
<b>Major Economic Projects Total</b>				<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>2,167</b>	<b>4,681</b>	<b>9,066</b>	<b>12,117</b>	<b>12,748</b>	<b>12,786</b>	<b>58,565</b>
Regional and external relations	C145	International Relations	Expense	572	583	593	620	635	650	662	671	678	694	6,358
<b>Regional and external relations Total</b>				<b>572</b>	<b>583</b>	<b>593</b>	<b>620</b>	<b>635</b>	<b>650</b>	<b>662</b>	<b>671</b>	<b>678</b>	<b>694</b>	<b>6,358</b>
Business Improvement Districts	C645	Marsden Village	Expense	14	14	15	15	16	16	17	17	18	18	159
	C698	Miramar BID	Expense	100	103	105	108	111	114	118	122	126	131	1,138
<b>Business Improvement Districts Total</b>				<b>114</b>	<b>117</b>	<b>120</b>	<b>123</b>	<b>127</b>	<b>130</b>	<b>135</b>	<b>139</b>	<b>144</b>	<b>149</b>	<b>1,297</b>
<b>City promotions and business support Total</b>				<b>22,836</b>	<b>27,851</b>	<b>25,138</b>	<b>28,503</b>	<b>30,866</b>	<b>32,777</b>	<b>36,970</b>	<b>40,538</b>	<b>41,760</b>	<b>43,357</b>	<b>330,597</b>
<b>Economic Development Total</b>				<b>22,836</b>	<b>27,851</b>	<b>25,138</b>	<b>28,503</b>	<b>30,866</b>	<b>32,777</b>	<b>36,970</b>	<b>40,538</b>	<b>41,760</b>	<b>43,357</b>	<b>330,597</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Galleries and museums (WMT)	C102	Wellington Museums Trust	Expense	8,708	8,933	9,088	9,248	9,423	9,569	9,783	10,005	10,256	10,521	95,535
	C702	Museum of Conflict	Expense	500	513	826	1,140	630	630	630	650	650	650	6,818
<b>Galleries and museums (WMT) Total</b>				<b>9,208</b>	<b>9,445</b>	<b>9,914</b>	<b>10,388</b>	<b>10,053</b>	<b>10,199</b>	<b>10,413</b>	<b>10,655</b>	<b>10,906</b>	<b>11,171</b>	<b>102,353</b>
Visitor attractions (Te Papa/ Carter Observatory)	C440	Te Papa Funding	Expense	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	22,500
	C659	Carter Observatory	Expense	590	614	628	656	655	628	657	672	690	723	6,513
<b>Visitor attractions (Te Papa/ Carter Observatory) Total</b>				<b>2,840</b>	<b>2,864</b>	<b>2,878</b>	<b>2,906</b>	<b>2,905</b>	<b>2,878</b>	<b>2,907</b>	<b>2,922</b>	<b>2,940</b>	<b>2,973</b>	<b>29,013</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Arts and cultural festivals	C130E	Community Events Programme	Expense	2,670	2,723	2,782	2,866	2,960	3,037	3,117	3,191	3,265	3,378	29,988
			Income	(410)	(417)	(426)	(435)	(444)	(453)	(464)	(475)	(487)	(499)	(4,509)
	C587	Citizen's Day - Mayoral Day	Expense	22	22	23	24	24	25	26	27	28	29	249
<b>Arts and cultural festivals Total</b>				<b>2,283</b>	<b>2,328</b>	<b>2,379</b>	<b>2,455</b>	<b>2,540</b>	<b>2,608</b>	<b>2,679</b>	<b>2,743</b>	<b>2,806</b>	<b>2,907</b>	<b>25,728</b>
Cultural grants	C661	Cultural Grants Pool	Expense	858	969	981	1,196	1,212	1,229	1,247	1,264	1,283	1,301	11,540
<b>Cultural grants Total</b>				<b>858</b>	<b>969</b>	<b>981</b>	<b>1,196</b>	<b>1,212</b>	<b>1,229</b>	<b>1,247</b>	<b>1,264</b>	<b>1,283</b>	<b>1,301</b>	<b>11,540</b>
Access and support for community arts	C101A	Wgtn Convention Centre Community Subsidy	Expense	200	200	200	200	200	200	200	200	200	200	2,000
	C130K	Community Arts Programme	Expense	459	519	528	398	410	421	432	440	447	461	4,516
			Income	(62)	(63)	(64)	(66)	(67)	(69)	(70)	(72)	(74)	(76)	(682)
<b>Access and support for community arts Total</b>				<b>597</b>	<b>656</b>	<b>664</b>	<b>532</b>	<b>543</b>	<b>553</b>	<b>561</b>	<b>568</b>	<b>574</b>	<b>585</b>	<b>5,833</b>
Arts partnerships	C422	NZSO Subsidy	Expense	216	216	216	216	216	216	216	216	216	216	2,160
	C605	Toi Poneke Arts Centre	Expense	1,243	1,272	1,300	1,348	1,383	1,419	1,449	1,484	1,514	1,559	13,970
			Income	(515)	(525)	(535)	(547)	(558)	(571)	(584)	(598)	(612)	(628)	(5,673)
	C670	Public Art Fund	Expense	393	398	402	413	420	427	433	437	440	448	4,212
	C710	New Zealand Ballet	Expense	153	154	155	100	100	100	100	100	100	100	1,162
	C713	Orchestra Wellington	Expense	272	275	279								826
<b>Arts partnerships Total</b>				<b>1,761</b>	<b>1,790</b>	<b>1,817</b>	<b>1,530</b>	<b>1,561</b>	<b>1,591</b>	<b>1,614</b>	<b>1,639</b>	<b>1,658</b>	<b>1,695</b>	<b>16,657</b>
Regional Amenities Fund	C691	Regional Amenities Fund	Expense	609	609	609	609	609	609	609	609	609	609	6,095
<b>Regional Amenities Fund Total</b>				<b>609</b>	<b>6,095</b>									
<b>Arts and Cultural Activities Total</b>				<b>18,155</b>	<b>18,662</b>	<b>19,242</b>	<b>19,617</b>	<b>19,425</b>	<b>19,667</b>	<b>20,031</b>	<b>20,401</b>	<b>20,776</b>	<b>21,242</b>	<b>197,218</b>
<b>Cultural Wellbeing Total</b>				<b>18,155</b>	<b>18,662</b>	<b>19,242</b>	<b>19,617</b>	<b>19,425</b>	<b>19,667</b>	<b>20,031</b>	<b>20,401</b>	<b>20,776</b>	<b>21,242</b>	<b>197,218</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Swimming Pools	C034	Swimming Pools Operations	Expense	20,476	20,919	20,874	21,637	21,892	22,625	23,597	23,727	24,259	24,966	224,972
			Income	(7,587)	(7,799)	(7,828)	(8,090)	(8,318)	(8,132)	(8,473)	(8,740)	(9,058)	(9,355)	(83,380)
<b>Swimming Pools Total</b>				<b>12,889</b>	<b>13,120</b>	<b>13,046</b>	<b>13,547</b>	<b>13,574</b>	<b>14,493</b>	<b>15,125</b>	<b>14,987</b>	<b>15,200</b>	<b>15,611</b>	<b>141,592</b>
Sportsfields	C562	Sportsfields Operations	Expense	3,405	3,472	3,482	3,616	3,667	3,727	3,808	3,848	3,897	4,017	36,938
			Income	(295)	(301)	(307)	(313)	(320)	(327)	(334)	(342)	(351)	(360)	(3,250)
<b>Sportsfields Total</b>				<b>3,110</b>	<b>3,171</b>	<b>3,175</b>	<b>3,303</b>	<b>3,347</b>	<b>3,400</b>	<b>3,473</b>	<b>3,506</b>	<b>3,546</b>	<b>3,657</b>	<b>33,688</b>
Sportsfields (Synthetic)	C682	Synthetic Turf Sport Operations	Expense	1,354	1,345	1,562	1,566	1,474	1,402	1,197	1,325	1,420	1,416	14,062
			Income	(524)	(534)	(572)	(584)	(596)	(609)	(623)	(638)	(654)	(670)	(6,003)
<b>Sportsfields (Synthetic) Total</b>				<b>830</b>	<b>811</b>	<b>990</b>	<b>982</b>	<b>878</b>	<b>793</b>	<b>574</b>	<b>687</b>	<b>766</b>	<b>746</b>	<b>8,058</b>
Recreation Centres	C037	Recreation Centres	Expense	2,722	2,777	2,812	2,945	3,052	3,089	3,164	3,206	3,208	3,297	30,271
			Income	(753)	(767)	(782)	(799)	(816)	(834)	(853)	(874)	(895)	(917)	(8,290)
	C669	ASB Sports Centre	Expense	6,980	7,137	7,106	7,256	7,374	7,370	7,461	7,502	7,494	7,673	73,353
			Income	(1,904)	(1,940)	(1,978)	(2,020)	(2,062)	(2,107)	(2,157)	(2,208)	(2,262)	(2,319)	(20,956)
<b>Recreation Centres Total</b>				<b>7,046</b>	<b>7,208</b>	<b>7,158</b>	<b>7,381</b>	<b>7,548</b>	<b>7,518</b>	<b>7,614</b>	<b>7,626</b>	<b>7,546</b>	<b>7,734</b>	<b>74,378</b>
Recreation partnerships	C008	Basin Reserve Trust	Expense	1,043	1,169	1,296	1,453	1,826	1,871	1,989	2,022	2,067	2,210	16,946
	C384	Recreational NZ Academy Sport	Expense	45	45	45	45	45	45	45	45	45	45	450
<b>Recreation partnerships Total</b>				<b>1,088</b>	<b>1,214</b>	<b>1,341</b>	<b>1,498</b>	<b>1,871</b>	<b>1,916</b>	<b>2,034</b>	<b>2,067</b>	<b>2,112</b>	<b>2,255</b>	<b>17,396</b>
Playgrounds	C559	Playground & Skate Facility Maintenance	Expense	737	747	776	804	836	840	827	773	783	777	7,900
<b>Playgrounds Total</b>				<b>737</b>	<b>747</b>	<b>776</b>	<b>804</b>	<b>836</b>	<b>840</b>	<b>827</b>	<b>773</b>	<b>783</b>	<b>777</b>	<b>7,900</b>
Marinas	C418	Marina Operations	Expense	602	669	688	720	756	661	777	822	854	888	7,437
			Income	(592)	(603)	(615)	(628)	(641)	(655)	(671)	(687)	(703)	(721)	(6,517)
<b>Marinas Total</b>				<b>10</b>	<b>66</b>	<b>73</b>	<b>92</b>	<b>115</b>	<b>6</b>	<b>106</b>	<b>135</b>	<b>151</b>	<b>166</b>	<b>920</b>
Golf Course	C688	Municipal Golf Course	Expense	270	272	275	282	285	281	279	283	288	295	2,813
			Income	(77)	(92)	(112)	(115)	(117)	(120)	(122)	(125)	(128)	(132)	(1,140)
<b>Golf Course Total</b>				<b>193</b>	<b>181</b>	<b>163</b>	<b>168</b>	<b>168</b>	<b>162</b>	<b>157</b>	<b>158</b>	<b>160</b>	<b>164</b>	<b>1,673</b>
Recreation programmes	C130D	Recreation Programmes	Expense	282	287	291	306	314	322	330	336	344	354	3,166
			Income	(15)	(15)	(16)	(16)	(16)	(17)	(17)	(17)	(17)	(18)	(18)

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Recreation programmes Total</b>				<b>267</b>	<b>271</b>	<b>276</b>	<b>290</b>	<b>298</b>	<b>305</b>	<b>313</b>	<b>319</b>	<b>326</b>	<b>335</b>	<b>3,001</b>
<b>Recreation promotion and support Total</b>				<b>26,169</b>	<b>26,789</b>	<b>26,998</b>	<b>28,065</b>	<b>28,634</b>	<b>29,433</b>	<b>30,224</b>	<b>30,258</b>	<b>30,590</b>	<b>31,446</b>	<b>288,606</b>
Libraries	C050	Library Network - Wide Operation	Expense	14,840	16,025	16,865	17,729	17,494	18,238	18,778	19,834	20,098	18,482	178,383
			Income	(982)	(869)	(767)	(731)	(644)	(628)	(570)	(554)	(545)	(547)	(6,837)
	C467	Branch Libraries	Expense	6,003	6,298	7,019	7,930	8,144	8,299	8,530	8,606	8,676	8,891	78,395
			Income	(608)	(615)	(626)	(624)	(636)	(650)	(664)	(680)	(695)	(713)	(6,510)
<b>Libraries Total</b>				<b>19,253</b>	<b>20,839</b>	<b>22,491</b>	<b>24,304</b>	<b>24,358</b>	<b>25,259</b>	<b>26,074</b>	<b>27,207</b>	<b>27,533</b>	<b>26,114</b>	<b>243,432</b>
Access support (Leisure Card)	C419	Passport to Leisure Programme	Expense	105	106	108	114	117	120	123	124	126	130	1,172
<b>Access support (Leisure Card) Total</b>				<b>105</b>	<b>106</b>	<b>108</b>	<b>114</b>	<b>117</b>	<b>120</b>	<b>123</b>	<b>124</b>	<b>126</b>	<b>130</b>	<b>1,172</b>
Community advocacy	C130G	Community Advice & Information	Expense	1,279	1,291	1,310	1,376	1,412	1,449	1,482	1,509	1,535	1,576	14,218
<b>Community advocacy Total</b>				<b>1,279</b>	<b>1,291</b>	<b>1,310</b>	<b>1,376</b>	<b>1,412</b>	<b>1,449</b>	<b>1,482</b>	<b>1,509</b>	<b>1,535</b>	<b>1,576</b>	<b>14,218</b>
Grants (Social and Recreation)	C130A	Community Grants	Expense	215	266	1,088	222	225	228	230	232	234	237	3,178
	C637	Support for Wgtn Homeless	Expense	142	145	148	151	154	157	160	163	166	169	1,553
	C678	Social & Recreational Grant Pool	Expense	3,287	3,573	3,122	3,367	3,413	3,459	3,507	3,555	3,604	3,655	34,541
			Income		0									0
<b>Grants (Social and Recreation) Total</b>				<b>3,643</b>	<b>3,984</b>	<b>4,357</b>	<b>3,740</b>	<b>3,791</b>	<b>3,843</b>	<b>3,896</b>	<b>3,950</b>	<b>4,005</b>	<b>4,062</b>	<b>39,273</b>
Housing	C125	Housing Operations and Maintenance	Expense	23,741	23,857	25,251	26,374	26,161	26,072	26,844	26,605	27,982	31,596	264,484
			Income	(21,635)	(22,391)	(24,322)	(24,837)	(25,836)	(25,913)	(24,373)	(24,954)	(25,556)	(26,201)	(246,016)
	C680	Housing Upgrade Project	Expense	1,799	1,654	1,536	1,543	1,630	1,738	2,053	2,105	2,401	2,500	18,960
			Income	(21,637)	(18,712)	(1,136)								(41,485)
<b>Housing Total</b>				<b>(17,731)</b>	<b>(15,590)</b>	<b>1,330</b>	<b>3,081</b>	<b>1,955</b>	<b>1,896</b>	<b>4,524</b>	<b>3,757</b>	<b>4,827</b>	<b>7,895</b>	<b>(4,057)</b>
Community centres and halls	A468	Community Props Programmed Maintenance	Expense	498	693	690	608	671	700	585	579	674	659	6,356
			Income	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(39)
	C068	Community Halls Operations and Maintenance	Expense	189	187	237	266	389	479	468	480	502	539	3,736
			Income	(38)	(39)	(40)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(419)

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	C130B	Community Prop & Facility Operations	Expense	2,279	2,348	2,375	2,556	2,641	2,719	2,849	2,918	2,984	3,129	26,800
			Income	(188)	(192)	(196)	(200)	(204)	(205)	(209)	(214)	(220)	(225)	(2,053)
	C130I	Accommodation Assistance Fund	Expense	234	234	234	234	234	234	234	234	234	234	2,340
<b>Community centres and halls Total</b>				<b>2,971</b>	<b>3,228</b>	<b>3,296</b>	<b>3,420</b>	<b>3,687</b>	<b>3,882</b>	<b>3,879</b>	<b>3,949</b>	<b>4,126</b>	<b>4,285</b>	<b>36,721</b>
<b>Community support Total</b>				<b>9,519</b>	<b>13,857</b>	<b>32,892</b>	<b>36,034</b>	<b>35,320</b>	<b>36,450</b>	<b>39,977</b>	<b>40,496</b>	<b>42,152</b>	<b>44,060</b>	<b>330,759</b>
Burials and cremations	C007	Burial & Cremation Operations	Expense	1,648	1,724	1,786	1,893	1,969	2,017	2,036	2,120	2,186	2,283	19,664
			Income	(803)	(858)	(875)	(893)	(912)	(932)	(954)	(977)	(1,000)	(1,025)	(9,228)
<b>Burials and cremations Total</b>				<b>845</b>	<b>867</b>	<b>912</b>	<b>1,000</b>	<b>1,057</b>	<b>1,086</b>	<b>1,082</b>	<b>1,143</b>	<b>1,186</b>	<b>1,258</b>	<b>10,436</b>
Public toilets	C072	Contracts - Public Conveniences	Expense	2,661	2,756	2,901	3,050	3,167	3,274	3,312	3,568	3,689	3,910	32,288
<b>Public toilets Total</b>				<b>2,661</b>	<b>2,756</b>	<b>2,901</b>	<b>3,050</b>	<b>3,167</b>	<b>3,274</b>	<b>3,312</b>	<b>3,568</b>	<b>3,689</b>	<b>3,910</b>	<b>32,288</b>
Public health regulations	C478	Public Health	Expense	4,648	4,618	4,699	4,922	5,104	5,231	5,357	5,459	5,564	5,742	51,344
			Income	(3,211)	(3,272)	(3,336)	(3,364)	(3,434)	(3,510)	(3,593)	(3,678)	(3,767)	(3,862)	(35,029)
	C675	Noise Monitoring	Expense	628	661	695	745	836	842	895	917	942	973	8,134
<b>Public health regulations Total</b>				<b>2,065</b>	<b>2,007</b>	<b>2,058</b>	<b>2,302</b>	<b>2,505</b>	<b>2,563</b>	<b>2,659</b>	<b>2,698</b>	<b>2,739</b>	<b>2,853</b>	<b>24,449</b>
City safety	C673	Anti-Graffiti Flying Squad	Expense	635	647	660	679	695	712	730	748	768	791	7,066
	P169	Safe City Project Operations	Expense	2,039	2,070	2,103	2,214	2,262	2,314	2,364	2,406	2,449	2,514	22,734
<b>City safety Total</b>				<b>2,674</b>	<b>2,717</b>	<b>2,763</b>	<b>2,893</b>	<b>2,957</b>	<b>3,026</b>	<b>3,095</b>	<b>3,154</b>	<b>3,217</b>	<b>3,304</b>	<b>29,800</b>
WREMO	C540	Emergency Management Plan & Train	Expense	1,090	1,118	1,191	1,231	1,277	1,301	1,336	1,372	1,377	1,422	12,714
			Income	(14)	(14)	(15)	(15)	(15)						(73)
	C543	Emergency Management Rural Fire Management	Expense	247	254	265	266	283	289	291	300	310	321	2,828
			Income	(29)	(30)	(30)	(31)	(31)	(32)	(33)	(34)	(34)	(35)	(319)
<b>WREMO Total</b>				<b>1,294</b>	<b>1,328</b>	<b>1,411</b>	<b>1,452</b>	<b>1,513</b>	<b>1,558</b>	<b>1,594</b>	<b>1,638</b>	<b>1,653</b>	<b>1,708</b>	<b>15,149</b>
<b>Public health and safety Total</b>				<b>9,540</b>	<b>9,675</b>	<b>10,045</b>	<b>10,697</b>	<b>11,200</b>	<b>11,506</b>	<b>11,741</b>	<b>12,202</b>	<b>12,484</b>	<b>13,033</b>	<b>112,122</b>
<b>Social and Recreation Total</b>				<b>45,229</b>	<b>50,321</b>	<b>69,935</b>	<b>74,795</b>	<b>75,154</b>	<b>77,389</b>	<b>81,942</b>	<b>82,956</b>	<b>85,226</b>	<b>88,540</b>	<b>731,487</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$'000)	2016/17 (\$'000)	2017/18 (\$'000)	2018/19 (\$'000)	2019/20 (\$'000)	2020/21 (\$'000)	2021/22 (\$'000)	2022/23 (\$'000)	2023/24 (\$'000)	2024/25 (\$'000)	TOTAL (\$'000)
Urban planning and policy	C533	District Plan	Expense	2,027	1,964	1,738	1,829	1,878	1,926	1,969	2,003	2,034	2,087	19,454
			Income	(20)	(20)	(21)	(21)	(22)	(22)	(23)	(23)	(24)	(24)	(220)
	C650	Growth Spine Centres	Expense	250	253	257	271	279	286	292	298	304	312	2,802
<b>Urban planning and policy Total</b>				<b>2,257</b>	<b>2,196</b>	<b>1,974</b>	<b>2,079</b>	<b>2,135</b>	<b>2,190</b>	<b>2,239</b>	<b>2,277</b>	<b>2,314</b>	<b>2,375</b>	<b>22,035</b>
Waterfront development	C711	City Shaper Developments	Expense	972	991	1,011	1,160	1,137	1,111	1,141	1,170	1,201	1,238	11,131
<b>Waterfront development Total</b>				<b>972</b>	<b>991</b>	<b>1,011</b>	<b>1,160</b>	<b>1,137</b>	<b>1,111</b>	<b>1,141</b>	<b>1,170</b>	<b>1,201</b>	<b>1,238</b>	<b>11,131</b>
Public spaces and centres development	C350	Maintenance of City Art Works	Expense	320	328	339	354	365	376	383	389	404	418	3,677
	C370	Public Space/Centre Development Plan	Expense	1,849	1,820	1,847	1,949	1,783	1,828	1,867	1,897	1,930	1,981	18,750
<b>Public spaces and centres development Total</b>				<b>2,169</b>	<b>2,148</b>	<b>2,185</b>	<b>2,303</b>	<b>2,148</b>	<b>2,204</b>	<b>2,250</b>	<b>2,286</b>	<b>2,334</b>	<b>2,399</b>	<b>22,427</b>
Built heritage development	P065	City Heritage Development	Expense	1,498	2,007	1,767	1,042	1,059	1,075	1,088	1,099	1,111	1,129	12,875
<b>Built heritage development Total</b>				<b>1,498</b>	<b>2,007</b>	<b>1,767</b>	<b>1,042</b>	<b>1,059</b>	<b>1,075</b>	<b>1,088</b>	<b>1,099</b>	<b>1,111</b>	<b>1,129</b>	<b>12,875</b>
<b>Urban planning, heritage and public spaces development Total</b>				<b>6,896</b>	<b>7,342</b>	<b>6,938</b>	<b>6,585</b>	<b>6,479</b>	<b>6,579</b>	<b>6,717</b>	<b>6,832</b>	<b>6,959</b>	<b>7,140</b>	<b>68,468</b>
Building control and facilitation	C480	Building Control/Facilitation	Expense	13,107	13,296	12,923	13,573	13,924	14,264	14,570	14,775	14,930	15,377	140,740
			Income	(9,152)	(9,230)	(8,921)	(9,110)	(9,299)	(9,505)	(9,728)	(9,960)	(10,200)	(10,458)	(95,563)
	C685	Weathertight Homes	Expense	703	717	722	763	784	804	821	833	845	866	7,860
<b>Building control and facilitation Total</b>				<b>4,657</b>	<b>4,782</b>	<b>4,725</b>	<b>5,227</b>	<b>5,410</b>	<b>5,564</b>	<b>5,663</b>	<b>5,648</b>	<b>5,575</b>	<b>5,786</b>	<b>53,037</b>
Development control and facilitation	C479	Development Control/Facilitation	Expense	5,981	6,112	6,221	6,537	6,756	6,933	7,088	7,197	7,293	7,511	67,628
			Income	(2,899)	(2,954)	(3,012)	(3,075)	(3,139)	(3,209)	(3,284)	(3,362)	(3,444)	(3,531)	(31,909)
<b>Development control and facilitation Total</b>				<b>3,082</b>	<b>3,158</b>	<b>3,209</b>	<b>3,461</b>	<b>3,617</b>	<b>3,724</b>	<b>3,803</b>	<b>3,835</b>	<b>3,849</b>	<b>3,980</b>	<b>35,720</b>
Earthquake risk mitigation - built environment	P057	Earthquake Risk Building Project	Expense	1,710	1,598	1,959	2,047	2,112	2,052	2,099	2,138	2,180	2,245	20,140

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Earthquake risk mitigation - built environment Total				1,710	1,598	1,959	2,047	2,112	2,052	2,099	2,138	2,180	2,245	20,140
Building and development control Total				9,449	9,538	9,892	10,735	11,139	11,340	11,565	11,621	11,604	12,011	108,896
Urban Development Total				16,345	16,881	16,830	17,320	17,618	17,919	18,283	18,453	18,564	19,152	177,364

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Transport planning	C681	Ngaurunga to Airport Corridor	Expense	691	359	210	0	0	0	0	0	0	0	1,261
	P249	Network Planning	Expense	452	458	502	531	547	561	572	581	590	605	5,399
			Income	(86)	(90)	(102)	(106)	(108)	(110)	(113)	(116)	(118)	(121)	(1,070)
<b>Transport planning Total</b>				<b>1,057</b>	<b>727</b>	<b>610</b>	<b>425</b>	<b>439</b>	<b>451</b>	<b>459</b>	<b>465</b>	<b>471</b>	<b>484</b>	<b>5,590</b>
Vehicle network	C304	Road Maintenance & Storm Cleanup	Expense	1,649	1,683	1,726	1,785	1,843	1,886	1,950	1,998	2,067	2,132	18,719
			Income	(687)	(714)	(745)	(776)	(793)	(808)	(830)	(847)	(870)	(890)	(7,960)
	C312	Maintenance Tawa Shared Driveways	Expense	37	37	38	39	41	42	43	44	45	47	412
	C441	Walls, Bridges & Tunnel Maintenance	Expense	282	290	296	308	317	326	335	343	352	363	3,210
			Income	(101)	(106)	(111)	(115)	(118)	(120)	(123)	(126)	(129)	(132)	(1,182)
	C444	Drains & Walls Asset Stewardship	Expense	6,501	6,603	7,186	7,430	7,553	8,086	8,269	8,411	9,250	9,311	78,600
			Income	(16)	(17)	(17)	(18)	(19)	(19)	(19)	(20)	(20)	(21)	(187)
	C445	Kerb & Channel Maintenance	Expense	723	800	818	846	871	896	922	948	978	1,011	8,814
			Income	(314)	(356)	(371)	(386)	(394)	(403)	(413)	(422)	(433)	(443)	(3,936)
	C453	Vehicle Network Asset Stewardship	Expense	13,358	14,026	15,684	16,795	17,707	19,748	20,717	21,793	24,871	25,883	190,582
			Income	(204)	(212)	(227)	(230)	(235)	(247)	(246)	(251)	(257)	(264)	(2,373)
	C656	Port and Ferry Access	Expense	96	103	110	115	118	121	125	128	132	136	1,183
<b>Vehicle network Total</b>				<b>21,322</b>	<b>22,137</b>	<b>24,387</b>	<b>25,793</b>	<b>26,892</b>	<b>29,507</b>	<b>30,729</b>	<b>31,999</b>	<b>35,985</b>	<b>37,131</b>	<b>285,882</b>
Cycle network	C493	Cycleways Maintenance	Expense	96	111	156	173	180	202	202	216	224	234	1,794
			Income	(36)	(39)	(43)	(47)	(47)	(49)	(50)	(51)	(52)	(53)	(466)
	C577	Cycleway Asset Stewardship	Expense	365	559	1,065	1,737	2,111	2,414	2,507	2,601	2,953	3,055	19,367
	C694	Cycleways Planning	Expense	1,199	1,132	1,151	503	518	532	545	557	569	587	7,294

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Cycle network Total</b>				<b>1,625</b>	<b>1,764</b>	<b>2,328</b>	<b>2,367</b>	<b>2,761</b>	<b>3,100</b>	<b>3,205</b>	<b>3,323</b>	<b>3,694</b>	<b>3,822</b>	<b>27,989</b>
Passenger transport network	C072A	Passenger Transport Facilities	Expense	658	677	700	728	752	777	803	832	868	901	7,695
			Income	(486)	(495)	(505)	(516)	(526)	(538)	(551)	(564)	(577)	(592)	(5,350)
	C550	Bus Shelter Contract	Expense	5	5	6	6	6	6	6	6	7	7	61
		Income		(464)	(473)	(483)	(493)	(503)	(514)	(526)	(539)	(552)	(566)	(5,112)
	C576	Passenger Transport Asset Stewardship	Expense	673	742	834	893	1,013	1,105	1,204	1,291	1,396	1,405	10,556
	C655	Bus Priority Plan	Expense	109	111	113	118	121	125	128	131	134	139	1,228
	C708	Cable Car	Expense		2,500									2,500
	C712	Public Transport Trials	Expense	275										275
<b>Passenger transport network Total</b>				<b>770</b>	<b>3,067</b>	<b>665</b>	<b>736</b>	<b>863</b>	<b>961</b>	<b>1,064</b>	<b>1,158</b>	<b>1,276</b>	<b>1,294</b>	<b>11,853</b>
Pedestrian network	C307	Street Furniture Maintenance	Expense	360	367	376	389	401	412	424	436	449	464	4,076
			Income	(6)	(6)	(6)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(68)
	C377	Footpaths Asset Stewardship	Expense	5,175	5,179	5,582	5,748	5,834	6,332	6,398	6,796	8,028	8,455	63,527
	C448	Pedestrian Network Maintenance	Expense	842	861	880	910	934	963	989	1,020	1,049	1,087	9,535
			Income	(33)	(34)	(34)	(35)	(36)	(36)	(37)	(38)	(39)	(40)	(362)
	C492	Ped Network Structures Maintenance	Expense	171	176	180	186	192	197	203	208	215	222	1,950
<b>Pedestrian network Total</b>				<b>6,509</b>	<b>6,543</b>	<b>6,977</b>	<b>7,192</b>	<b>7,319</b>	<b>7,860</b>	<b>7,970</b>	<b>8,415</b>	<b>9,694</b>	<b>10,180</b>	<b>78,658</b>
Network-wide control and management	A026	Traffic Signals System Maintenance	Expense	1,282	1,285	1,329	1,399	1,455	1,510	1,568	1,617	1,665	1,722	14,830
			Income	(548)	(558)	(587)	(619)	(638)	(659)	(681)	(699)	(716)	(734)	(6,439)
	A153A	Traffic Control Asset Stewardship	Expense	2,502	2,491	2,562	2,445	2,335	2,392	2,289	2,183	2,262	2,078	23,539
			Income	(33)	(34)	(40)	(37)	(38)	(43)	(40)	(41)	(42)	(43)	(390)
	C026C	Road Marking Maintenance	Expense	948	1,001	1,023	1,060	1,091	1,122	1,154	1,185	1,220	1,261	11,066
			Income	(402)	(434)	(451)	(470)	(480)	(490)	(502)	(514)	(526)	(540)	(4,809)
	C452	Traffic Signs Maintenance	Expense	559	570	581	605	623	640	657	673	691	712	6,312
			Income	(197)	(205)	(213)	(222)	(227)	(232)	(237)	(243)	(249)	(255)	(2,281)
	C481	Network Activity Management	Expense	1,508	1,526	1,545	1,636	1,687	1,729	1,765	1,791	1,819	1,868	16,875

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
			Income	(874)	(891)	(908)	(927)	(947)	(968)	(990)	(1,014)	(1,038)	(1,065)	(9,622)
<b>Network-wide control and management Total</b>				<b>4,746</b>	<b>4,752</b>	<b>4,840</b>	<b>4,870</b>	<b>4,862</b>	<b>5,002</b>	<b>4,983</b>	<b>4,938</b>	<b>5,085</b>	<b>5,004</b>	<b>49,081</b>
Road safety	C026B	Street Lighting Maintenance	Expense	3,064	2,925	3,024	3,181	3,270	3,440	3,579	3,732	3,899	4,082	34,195
			Income	(1,265)	(1,299)	(1,349)	(1,419)	(1,433)	(1,482)	(1,516)	(1,552)	(1,590)	(1,630)	(14,535)
	C450	Transport Education & Promotion	Expense	631	736	748	783	806	827	847	865	885	912	8,040
			Income	(227)	(236)	(245)	(255)	(261)	(266)	(273)	(279)	(286)	(293)	(2,621)
	C494	Fences & Guardrails Maintenance	Expense	394	403	412	426	439	451	465	478	493	510	4,472
			Income	(108)	(112)	(117)	(122)	(124)	(127)	(130)	(133)	(136)	(140)	(1,249)
	C575	Safety Asset Stewardship	Expense	2,006	2,003	2,141	2,155	2,145	2,276	2,253	2,235	2,413	2,377	22,005
<b>Road safety Total</b>				<b>4,496</b>	<b>4,420</b>	<b>4,614</b>	<b>4,749</b>	<b>4,842</b>	<b>5,119</b>	<b>5,225</b>	<b>5,345</b>	<b>5,678</b>	<b>5,818</b>	<b>50,307</b>
<b>Transport Total</b>				<b>40,524</b>	<b>43,409</b>	<b>44,422</b>	<b>46,133</b>	<b>47,979</b>	<b>51,999</b>	<b>53,636</b>	<b>55,642</b>	<b>61,883</b>	<b>63,732</b>	<b>509,360</b>
Parking	C290	Parking Services & Enforcement	Expense	12,382	12,085	12,142	12,656	13,075	13,455	13,820	14,268	14,799	15,361	134,043
			Income	(26,151)	(27,243)	(27,854)	(28,582)	(29,174)	(29,821)	(30,521)	(31,249)	(32,003)	(32,811)	(295,410)
	C378	Waterfront Parking Services	Expense	1,022	1,273	1,477	1,596	1,704	1,995	2,300	2,616	2,932	3,253	20,168
			Income	(1,304)	(1,171)	(1,207)	(1,171)	(1,118)	(1,143)	(1,170)	(1,198)	(1,227)	(1,258)	(11,965)
<b>Parking Total</b>				<b>(14,051)</b>	<b>(15,056)</b>	<b>(15,442)</b>	<b>(15,501)</b>	<b>(15,514)</b>	<b>(15,514)</b>	<b>(15,571)</b>	<b>(15,563)</b>	<b>(15,498)</b>	<b>(15,455)</b>	<b>(153,165)</b>
<b>Transport Total</b>				<b>26,473</b>	<b>28,353</b>	<b>28,981</b>	<b>30,632</b>	<b>32,465</b>	<b>36,486</b>	<b>38,066</b>	<b>40,079</b>	<b>46,384</b>	<b>48,277</b>	<b>356,195</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Organisational	A312	Waterfront Commercial Property Services	Expense	6,609	6,730	7,132	7,519	7,633	7,956	8,491	9,013	9,613	10,118	80,815
			Income	(2,600)	(2,670)	(2,723)	(2,780)	(2,838)	(2,901)	(2,969)	(3,040)	(3,113)	(2,908)	(28,543)
	C332	Commercial Property Man & Serv	Expense	3,956	3,959	4,401	4,705	5,322	5,176	5,377	5,663	6,553	6,477	51,590
			Income	(2,855)	(2,910)	(2,967)	(3,030)	(3,092)	(3,161)	(3,235)	(3,312)	(3,392)	(3,478)	(31,432)
	C333	Civic Centre Facilities Management	Expense	467	1,738	3,163	3,886	4,382	4,482	4,487	4,444	4,223	4,004	35,277
			Income	(212)	(216)	(221)	(490)	(771)	(788)	(807)	(826)	(846)	(868)	(6,046)
	C374	Information Services SLA	Expense	4,556	3,035	0	(0)	0	0	0	(0)	(0)	(0)	7,591
			Income	(71)										(71)

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	C388	NZTA Income on Capex Work	Income	(12,668)	(17,599)	(21,387)	(12,597)	(12,735)	(13,261)	(13,647)	(13,952)	(14,216)	(15,093)	(147,157)
	C700	Waterfront Utilities Management	Expense	440	451	462	478	492	507	523	539	556	576	5,024
			Income	(416)	(423)	(432)	(441)	(450)	(460)	(471)	(482)	(494)	(506)	(4,575)
	ORG	Rates and Unallocated Organisational Costs	Expense	4,467	5,412	5,112	5,318	5,484	6,748	6,970	7,168	7,499	7,702	62,320
			Income	(285,291)	(283,104)	(283,346)	(283,437)	(284,047)	(286,536)	(288,683)	(288,740)	(291,407)	(292,791)	(2,867,798)
<b>Organisational Total</b>				<b>(283,618)</b>	<b>(288,624)</b>	<b>(303,934)</b>	<b>(290,393)</b>	<b>(280,660)</b>	<b>(282,282)</b>	<b>(284,013)</b>	<b>(283,579)</b>	<b>(285,083)</b>	<b>(286,833)</b>	<b>(2,869,019)</b>
<b>Organisational projects Total</b>				<b>(283,618)</b>	<b>(288,624)</b>	<b>(303,934)</b>	<b>(290,393)</b>	<b>(280,660)</b>	<b>(282,282)</b>	<b>(284,013)</b>	<b>(283,579)</b>	<b>(285,083)</b>	<b>(286,833)</b>	<b>(2,869,019)</b>
<b>Council Total</b>				<b>(283,618)</b>	<b>(288,624)</b>	<b>(303,934)</b>	<b>(290,393)</b>	<b>(280,660)</b>	<b>(282,282)</b>	<b>(284,013)</b>	<b>(283,579)</b>	<b>(285,083)</b>	<b>(286,833)</b>	<b>(2,869,019)</b>

# Capital Expenditure

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
City governance and engagement	CX420	Committee & Council Processes	Expense		116			126			138			379
<b>City governance and engagement Total</b>					<b>116</b>			<b>126</b>			<b>138</b>			<b>379</b>
<b>Governance, information and engagement Total</b>					<b>116</b>			<b>126</b>			<b>138</b>			<b>379</b>
<b>Governance Total</b>					<b>116</b>			<b>126</b>			<b>138</b>			<b>379</b>
Local parks and open spaces	CX033	Property Purchases - Reserves	Expense							2,203				2,203
	CX284	Park Structures - upgrades & renewals	Expense	471	400	888	346	355	365	377	389	402	416	4,408
	CX436	Parks Infrastructure	Expense	165	301	565	415	539	648	745	330	280	913	4,900
	CX510	Plimmer Bequest Project	Expense	650		53	647	166	579	597	616	638	660	4,606
<b>Local parks and open spaces Total</b>				<b>1,286</b>	<b>701</b>	<b>1,505</b>	<b>1,408</b>	<b>1,061</b>	<b>1,592</b>	<b>3,922</b>	<b>1,335</b>	<b>1,320</b>	<b>1,989</b>	<b>16,118</b>
Botanical gardens	CX348	Botanic Garden	Expense	433	528	704	792	490	973	1,348	517	665	1,229	7,679
<b>Botanical gardens Total</b>				<b>433</b>	<b>528</b>	<b>704</b>	<b>792</b>	<b>490</b>	<b>973</b>	<b>1,348</b>	<b>517</b>	<b>665</b>	<b>1,229</b>	<b>7,679</b>
Beaches and coast operations	CX290	Coastal - upgrades	Expense	91	52	54	55	57	58	60	62	64	67	621
	CX349	Coastal	Expense	136	124	127	130	134	138	142	147	152	157	1,388
<b>Beaches and coast operations Total</b>				<b>227</b>	<b>176</b>	<b>181</b>	<b>186</b>	<b>191</b>	<b>196</b>	<b>203</b>	<b>209</b>	<b>216</b>	<b>224</b>	<b>2,009</b>
Town belts	CX437	Town Belt & Reserves	Expense	135	248	229	251	235	242	1,411	258	267	276	3,552
<b>Town belts Total</b>				<b>135</b>	<b>248</b>	<b>229</b>	<b>251</b>	<b>235</b>	<b>242</b>	<b>1,411</b>	<b>258</b>	<b>267</b>	<b>276</b>	<b>3,552</b>
Walkways	CX435	Walkways renewals	Expense	550	1,014	1,253	501	515	530	1,174	565	584	605	7,292
<b>Walkways Total</b>				<b>550</b>	<b>1,014</b>	<b>1,253</b>	<b>501</b>	<b>515</b>	<b>530</b>	<b>1,174</b>	<b>565</b>	<b>584</b>	<b>605</b>	<b>7,292</b>
<b>Gardens, beaches and green open spaces Total</b>				<b>2,632</b>	<b>2,666</b>	<b>3,872</b>	<b>3,138</b>	<b>2,492</b>	<b>3,533</b>	<b>8,058</b>	<b>2,883</b>	<b>3,052</b>	<b>4,323</b>	<b>36,650</b>
Waste minimisation, disposal and recycling management	CX084	Southern Landfill Improvement	Expense	1,238	1,232	5,882	8,330	971	930	642	662	685	709	21,281

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Waste minimisation, disposal and recycling management Total</b>				<b>1,238</b>	<b>1,232</b>	<b>5,882</b>	<b>8,330</b>	<b>971</b>	<b>930</b>	<b>642</b>	<b>662</b>	<b>685</b>	<b>709</b>	<b>21,281</b>
<b>Waste reduction and energy conservation Total</b>				<b>1,238</b>	<b>1,232</b>	<b>5,882</b>	<b>8,330</b>	<b>971</b>	<b>930</b>	<b>642</b>	<b>662</b>	<b>685</b>	<b>709</b>	<b>21,281</b>
Water network	CX126	Water - Network renewals	Expense	12,489	9,902	9,804	6,398	13,211	12,167	12,593	12,781	13,285	15,717	118,347
	CX127	Water - Pump Station renewals	Expense	323	668	523	80	118	138	63	281	83	307	2,584
	CX296	Water - Water Meter upgrades	Expense		477	489	502	403	414	427	440	454	469	4,076
	CX326	Water - Network upgrades	Expense	1,441	1,368	1,589	3,466	2,557	1,194	951	979	1,009	1,041	15,595
	CX430	Water - Network renewals	Expense	536	509	492	621	621	559	529	654	756	768	6,045
	CX512	Water - Reservoir renewals	Expense	1,975	1,662	2,101	8,654	2,624	1,927	2,074	4,176	2,339	2,419	29,952
	CX513	Water - Reservoir upgrades	Expense	190	353	415	600	1,852	3,133	6,919	7,142	2,099	2,174	24,877
	CX518	Water - Water Meter renewals	Expense	(2)	(3)	(3)	(4)	(4)	(4)	(5)	(5)	(5)	(6)	(42)
<b>Water network Total</b>				<b>16,951</b>	<b>14,935</b>	<b>15,410</b>	<b>20,318</b>	<b>21,383</b>	<b>19,528</b>	<b>23,551</b>	<b>26,447</b>	<b>20,019</b>	<b>22,890</b>	<b>201,433</b>
<b>Water Total</b>				<b>16,951</b>	<b>14,935</b>	<b>15,410</b>	<b>20,318</b>	<b>21,383</b>	<b>19,528</b>	<b>23,551</b>	<b>26,447</b>	<b>20,019</b>	<b>22,890</b>	<b>201,433</b>
Sewage collection and disposal network	CX334	Wastewater - Network renewals	Expense	9,617	9,996	10,095	8,358	10,110	9,498	9,259	10,640	12,769	24,250	114,592
	CX381	Wastewater - Network upgrades	Expense		456	2,335	2,513	2,585	219	226	233	241	249	9,057
	CX517	Wastewater - Pump Station renewals	Expense	863	874	889	927	946	972	1,002	1,033	1,068	1,105	9,682
<b>Sewage collection and disposal network Total</b>				<b>10,481</b>	<b>11,327</b>	<b>13,319</b>	<b>11,799</b>	<b>13,641</b>	<b>10,688</b>	<b>10,487</b>	<b>11,906</b>	<b>14,079</b>	<b>25,604</b>	<b>133,330</b>
<b>Wastewater Total</b>				<b>10,481</b>	<b>11,327</b>	<b>13,319</b>	<b>11,799</b>	<b>13,641</b>	<b>10,688</b>	<b>10,487</b>	<b>11,906</b>	<b>14,079</b>	<b>25,604</b>	<b>133,330</b>
Stormwater management	CX031	Stormwater - Network upgrades	Expense	944	4,081	4,179	1,842	1,962	2,257	2,132	2,200	2,277	2,749	24,622
	CX151	Stormwater - Network renewals	Expense	3,511	2,939	3,473	2,227	3,281	3,311	2,538	4,862	5,196	3,515	34,854

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Stormwater management Total</b>				4,455	7,020	7,652	4,069	5,243	5,568	4,671	7,062	7,472	6,264	59,476
<b>Stormwater Total</b>				4,455	7,020	7,652	4,069	5,243	5,568	4,671	7,062	7,472	6,264	59,476
Conservation visitor attractions	CX125	Zoo renewals	Expense	800	817	843	854	888	922	940	970	1,002	1,037	9,073
	CX340	Zoo upgrades	Expense	516										516
<b>Conservation visitor attractions Total</b>				1,316	817	843	854	888	922	940	970	1,002	1,037	9,589
<b>Conservation attractions Total</b>				1,316	817	843	854	888	922	940	970	1,002	1,037	9,589
<b>Environment Total</b>				37,072	37,998	46,978	48,508	44,619	41,171	48,348	49,931	46,309	60,826	461,761
Wellington Convention Centre	CX275	Wellington Venues renewals	Expense	2,215	1,742	1,353	461	1,810	1,905	2,106	1,947	781	2,103	16,422
<b>Wellington Convention Centre Total</b>				2,215	1,742	1,353	461	1,810	1,905	2,106	1,947	781	2,103	16,422
Major Economic Projects	CX526	Indoor Arena	Expense						8,330	47,702	8,877			64,908
<b>Major Economic Projects Total</b>									8,330	47,702	8,877			64,908
<b>City promotions and business support Total</b>				2,215	1,742	1,353	461	1,810	10,235	49,808	10,824	781	2,103	81,330
<b>Economic Development Total</b>				2,215	1,742	1,353	461	1,810	10,235	49,808	10,824	781	2,103	81,330
Galleries and museums (WMT)	CX500	Gallery & Museum Upgrades	Expense	1,914										1,914
	CX534	Museum of Conflict	Expense			10,000								10,000
<b>Galleries and museums (WMT) Total</b>				1,914		10,000								11,914
Visitor attractions (Te Papa/ Carter Observatory)	CX496	Cable Car Precinct	Expense	180										180
<b>Visitor attractions (Te Papa/ Carter Observatory) Total</b>				180										180
Cultural grants	CX497	Te ara o nga tupuna - Maori heritage trails	Expense	100		8	122							230
<b>Cultural grants Total</b>				100		8	122							230
Access and support for community arts	CX458	Arts Installation	Expense	26	27	28	29	29	30	31	32	33	35	301

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Access and support for community arts Total				26	27	28	29	29	30	31	32	33	35	301
Arts and cultural activities Total				2,220	27	10,036	150	29	30	31	32	33	35	12,624
Cultural Wellbeing Total				2,220	27	10,036	150	29	30	31	32	33	35	12,624

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Swimming Pools	CX055	Aquatic Facility upgrades	Expense	627										627
	CX056	Aquatic Facility renewals	Expense	1,790	1,853	1,258	991	1,805	1,701	2,014	2,078	2,149	2,225	17,863
<b>Swimming Pools Total</b>				<b>2,417</b>	<b>1,853</b>	<b>1,258</b>	<b>991</b>	<b>1,805</b>	<b>1,701</b>	<b>2,014</b>	<b>2,078</b>	<b>2,149</b>	<b>2,225</b>	<b>18,490</b>
Sportsfields	CX345	Sportsfields upgrades	Expense	650	405	492	440	452	465	480	495	512	530	4,921
<b>Sportsfields Total</b>				<b>650</b>	<b>405</b>	<b>492</b>	<b>440</b>	<b>452</b>	<b>465</b>	<b>480</b>	<b>495</b>	<b>512</b>	<b>530</b>	<b>4,921</b>
Sportsfields (Synthetic)	CX506	Synthetic Turf Sportsfields renewals	Expense				35	704	724	2,128	732			4,322
	CX507	Synthetic Turf Sportsfields upgrades	Expense	560	1,399									1,959
<b>Sportsfields (Synthetic) Total</b>				<b>560</b>	<b>1,399</b>		<b>35</b>	<b>704</b>	<b>724</b>	<b>2,128</b>	<b>732</b>			<b>6,281</b>
Recreation Centres	CX059	Recreation Centre Renewal	Expense	227	15	322	57	28	62	343	21	16	296	1,388
	CX499	ASB Sports Centre	Expense	33	62	25	33	125	328	133	175	181	187	1,281
<b>Recreation Centres Total</b>				<b>260</b>	<b>77</b>	<b>347</b>	<b>90</b>	<b>153</b>	<b>390</b>	<b>476</b>	<b>196</b>	<b>197</b>	<b>483</b>	<b>2,669</b>
Recreation partnerships	CX503	Basin Reserve	Expense	3,468	3,085	3,058	11,480	67	69	71	73	76	78	21,525
<b>Recreation partnerships Total</b>				<b>3,468</b>	<b>3,085</b>	<b>3,058</b>	<b>11,480</b>	<b>67</b>	<b>69</b>	<b>71</b>	<b>73</b>	<b>76</b>	<b>78</b>	<b>21,525</b>
Playgrounds	CX181	Playgrounds renewals & upgrades	Expense	414	455	328	480	347	357	368	380	393	407	3,929
<b>Playgrounds Total</b>				<b>414</b>	<b>455</b>	<b>328</b>	<b>480</b>	<b>347</b>	<b>357</b>	<b>368</b>	<b>380</b>	<b>393</b>	<b>407</b>	<b>3,929</b>
Marinas	CX341	Marina renewals	Expense	492	87	55	118	66	810	316	137	79	151	2,311
	CX342	Marina	Expense	66	54	150	116	76	619	138	70	66	82	1,437

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
<b>Marinas Total</b>				<b>558</b>	<b>141</b>	<b>204</b>	<b>234</b>	<b>142</b>	<b>1,429</b>	<b>454</b>	<b>207</b>	<b>146</b>	<b>233</b>	<b>3,748</b>
<b>Recreation promotion and support Total</b>				<b>8,325</b>	<b>7,414</b>	<b>5,688</b>	<b>13,751</b>	<b>3,670</b>	<b>5,134</b>	<b>5,990</b>	<b>4,160</b>	<b>3,473</b>	<b>3,957</b>	<b>61,562</b>
Libraries	CX077	Upgrade Library Materials	Expense	2,022	2,073	2,125	2,184	2,247	2,311	2,386	2,463	2,550	2,641	23,002
	CX269	Upgrade Computer Replacement	Expense	2,690						2,584				5,274
	CX338	Central Library upgrades	Expense	16	17	17	17	18	18	19	20	20	21	183
	CX358	Branch Library upgrades	Expense	844	6,532	9,507								16,883
	CX359	Branch Libraries renewals	Expense	55	217	246	138	333	319	183	60	13	85	1,649
<b>Libraries Total</b>				<b>5,627</b>	<b>8,838</b>	<b>11,895</b>	<b>2,340</b>	<b>2,598</b>	<b>2,648</b>	<b>5,172</b>	<b>2,542</b>	<b>2,584</b>	<b>2,747</b>	<b>46,990</b>
Housing	CX370	Housing upgrades	Expense	25,295	19,341	1,250	1,140	1,020	1,121	2,615	4,135	25,132	29,734	110,784
	CX371	Housing renewals	Expense	3,826	4,151	6,626	6,462	4,207	4,257	3,348	3,073	3,190	3,302	42,442
<b>Housing Total</b>				<b>29,121</b>	<b>23,492</b>	<b>7,876</b>	<b>7,602</b>	<b>5,227</b>	<b>5,378</b>	<b>5,963</b>	<b>7,208</b>	<b>28,322</b>	<b>33,036</b>	<b>153,225</b>
Community centres and halls	CX467	Community Halls - upgrades & renewals	Expense	154	262	1,049	4,232	1,122	244	222	143	191	157	7,775
<b>Community centres and halls Total</b>				<b>154</b>	<b>262</b>	<b>1,049</b>	<b>4,232</b>	<b>1,122</b>	<b>244</b>	<b>222</b>	<b>143</b>	<b>191</b>	<b>157</b>	<b>7,775</b>
<b>Community support Total</b>				<b>34,902</b>	<b>32,592</b>	<b>20,819</b>	<b>14,174</b>	<b>8,947</b>	<b>8,269</b>	<b>11,357</b>	<b>9,893</b>	<b>31,097</b>	<b>35,940</b>	<b>207,990</b>
Burials and cremations	CX369	Burial & Cremations	Expense	635	315	384	260	367	441	527	301	317	485	4,033
<b>Burials and cremations Total</b>				<b>635</b>	<b>315</b>	<b>384</b>	<b>260</b>	<b>367</b>	<b>441</b>	<b>527</b>	<b>301</b>	<b>317</b>	<b>485</b>	<b>4,033</b>
Public toilets	CX366	Public Convenience and pavilions	Expense	984	1,365	1,458	1,125	1,275	1,290	2,523	873	987	1,027	12,906
<b>Public toilets Total</b>				<b>984</b>	<b>1,365</b>	<b>1,458</b>	<b>1,125</b>	<b>1,275</b>	<b>1,290</b>	<b>2,523</b>	<b>873</b>	<b>987</b>	<b>1,027</b>	<b>12,906</b>
WREMO	CX372	Emergency Management renewals	Expense	52		279	13	14	7					365
<b>WREMO Total</b>				<b>52</b>		<b>279</b>	<b>13</b>	<b>14</b>	<b>7</b>					<b>365</b>
<b>Public health and safety Total</b>				<b>1,671</b>	<b>1,680</b>	<b>2,121</b>	<b>1,398</b>	<b>1,656</b>	<b>1,738</b>	<b>3,050</b>	<b>1,174</b>	<b>1,305</b>	<b>1,512</b>	<b>17,304</b>
<b>Social and Recreation Total</b>				<b>44,898</b>	<b>41,685</b>	<b>28,628</b>	<b>29,323</b>	<b>14,273</b>	<b>15,141</b>	<b>20,397</b>	<b>15,227</b>	<b>35,875</b>	<b>41,408</b>	<b>286,856</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Waterfront development	CX131	Wgtn Waterfront Development	Expense	4,277	6,125	2,496	404	414	4,711	17,989	8,214	463	478	45,572
	CX523	Waterfront Renewals	Expense	2,566	979	1,687	351	859	3,320	206	534	283	299	11,084
<b>Waterfront development Total</b>				<b>6,843</b>	<b>7,105</b>	<b>4,184</b>	<b>755</b>	<b>1,273</b>	<b>8,031</b>	<b>18,195</b>	<b>8,748</b>	<b>746</b>	<b>777</b>	<b>56,657</b>
Public spaces and centres development	CX406	Central City Framework	Expense	1,325	1,947	420	2,331	443	456	470	485	502	519	8,898
	CX446	Suburban Centres upgrades	Expense				1,000	1,000						2,000
	CX522	Minor CBD Enhancements	Expense	100	103	105	108	111	114	118	122	126	131	1,138
	CX527	Urban Regeneration Projects	Expense		406	403	12,089	10,391	6,393	15,095	15,000	12,400		72,178
<b>Public spaces and centres development Total</b>			<b>1,425</b>	<b>2,456</b>	<b>928</b>	<b>15,529</b>	<b>11,946</b>	<b>6,963</b>	<b>15,684</b>	<b>15,607</b>	<b>13,028</b>	<b>650</b>	<b>84,214</b>	
<b>Urban planning, heritage and public spaces development Total</b>			<b>8,268</b>	<b>9,561</b>	<b>5,112</b>	<b>16,284</b>	<b>13,219</b>	<b>14,995</b>	<b>33,879</b>	<b>24,355</b>	<b>13,774</b>	<b>1,427</b>	<b>140,871</b>	
Earthquake risk mitigation - built environment	CX505	Earthquake Risk Mitigation	Expense	5,940	6,502	26,108	24,583	5,168	278	304	294	284	254	69,715
<b>Earthquake risk mitigation - built environment Total</b>				<b>5,940</b>	<b>6,502</b>	<b>26,108</b>	<b>24,583</b>	<b>5,168</b>	<b>278</b>	<b>304</b>	<b>294</b>	<b>284</b>	<b>254</b>	<b>69,715</b>
<b>Building and development control Total</b>				<b>5,940</b>	<b>6,502</b>	<b>26,108</b>	<b>24,583</b>	<b>5,168</b>	<b>278</b>	<b>304</b>	<b>294</b>	<b>284</b>	<b>254</b>	<b>69,715</b>
<b>Urban Development Total</b>				<b>14,208</b>	<b>16,063</b>	<b>31,220</b>	<b>40,866</b>	<b>18,387</b>	<b>15,273</b>	<b>34,182</b>	<b>24,649</b>	<b>14,058</b>	<b>1,680</b>	<b>210,586</b>
Vehicle network	CX086	Wall, Bridge & Tunnel renewals	Expense	2,510	2,487	2,519	2,990	2,602	11,980	4,012	2,792	3,098	2,990	37,979
	CX088	Thin Asfalt Road Surface renewals	Expense	1,741	1,633	1,661	1,897	1,760	1,847	1,897	2,136	2,088	2,074	18,735
	CX089	Reseals renewals	Expense	2,477	2,120	2,121	2,748	2,263	2,475	2,519	3,361	2,771	2,697	25,554
	CX090	Preseal Preparation renewals	Expense	3,360	2,568	2,563	3,391	2,739	3,016	3,064	4,215	3,383	3,267	31,567
	CX092	Shape & Camber Correction	Expense	4,276	3,978	3,846	4,665	4,178	4,793	4,859	5,257	5,359	5,086	46,299
	CX093	Sumps Flood Mitigation Upgrade	Expense	9	222	227	234	241	248	255	263	273	283	2,253

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	CX098	Road corridor new walls	Expense	1,451	2,204	1,521	2,322	2,388	2,457	2,533	2,617	2,704	2,801	22,997
	CX101	Service Lane Improvements	Expense		51	52	53	55	57	58	60	62	65	513
	CX165	Tunnel and bridge improvements	Expense	1,788	909	1,877	986	1,012	1,042	1,074	1,109	1,146	1,187	12,129
	CX253	Kerb & Channel renewals	Expense	2,208	1,842	1,756	1,966	2,072	2,023	2,133	3,078	3,500	3,695	24,272
	CX311	Vehicle Network New Roads	Expense			5,260	545	4,449	2,292	2,956	1,467	3,158		20,128
	CX350	Road Risk Mitigation	Expense	898	727	1,141	1,172	1,206	1,240	836	863	893	924	9,899
	CX377	Roading Capacity Projects	Expense	1,580							2,980	3,085	3,194	10,838
	CX383	Area Wide Road Maintenance	Expense	719	737	755	776	796	819	845	872	903	935	8,157
	CX493	Port and Ferry Access	Expense				2,234	1,152	1,775	2,441	2,520	2,609	2,702	15,432
<b>Vehicle network Total</b>				<b>23,017</b>	<b>19,479</b>	<b>25,300</b>	<b>25,981</b>	<b>26,912</b>	<b>36,062</b>	<b>29,481</b>	<b>33,592</b>	<b>35,032</b>	<b>31,899</b>	<b>286,755</b>
Cycle network	CX112	Cycling Improvements	Expense	5,673	12,001	17,071	7,855	2,432	2,383	2,454	2,528	2,610	2,696	57,704
<b>Cycle network Total</b>				<b>5,673</b>	<b>12,001</b>	<b>17,071</b>	<b>7,855</b>	<b>2,432</b>	<b>2,383</b>	<b>2,454</b>	<b>2,528</b>	<b>2,610</b>	<b>2,696</b>	<b>57,704</b>
Passenger transport network	CX492	Bus Priority Planning	Expense	145	902	1,140	1,910	3,246	2,711	2,886	2,937	2,894	4,088	22,859
<b>Passenger transport network Total</b>				<b>145</b>	<b>902</b>	<b>1,140</b>	<b>1,910</b>	<b>3,246</b>	<b>2,711</b>	<b>2,886</b>	<b>2,937</b>	<b>2,894</b>	<b>4,088</b>	<b>22,859</b>
Pedestrian network	CX091	Pedestrian Network Structures	Expense	118	121	239	233	130	259	137	141	285	151	1,815
	CX094	Pedestrian Network Footpath renewals	Expense	3,859	2,931	4,190	2,230	4,968	4,214	4,208	8,773	5,330	8,496	49,200
	CX099	Walking Improvements	Expense	200	409	432	451	490	522	547	565	585	606	4,807
	CX108	Street Furniture renewals	Expense	160	168	168	191	177	329	187	193	200	209	1,982
	CX109	Pedestrian Network Accessways	Expense	244	222	239	277	197	226	271	439	288	422	2,826
<b>Pedestrian network Total</b>				<b>4,583</b>	<b>3,851</b>	<b>5,269</b>	<b>3,383</b>	<b>5,962</b>	<b>5,551</b>	<b>5,351</b>	<b>10,112</b>	<b>6,688</b>	<b>9,883</b>	<b>60,631</b>

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
Network-wide control and management	CX095	Traffic & St Signs renewals	Expense	1,570	288	472	601	535	965	658	880	394	347	6,710
	CX353	Traffic Signal renewals	Expense	1,234	942	803	825	848	872	899	928	960	993	9,303
<b>Network-wide control and management Total</b>				<b>2,804</b>	<b>1,230</b>	<b>1,275</b>	<b>1,426</b>	<b>1,383</b>	<b>1,836</b>	<b>1,558</b>	<b>1,807</b>	<b>1,353</b>	<b>1,340</b>	<b>16,013</b>
Road safety	CX096	Safety Street Lighting renewals	Expense	766	615	630	647	665	683	704	727	751	777	6,965
	CX097	Rural road improvements	Expense	100	103	105	108	111	114	118	122	126	131	1,138
	CX171	Minor safety projects	Expense	887	938	980	1,029	1,082	1,141	1,206	1,244	1,286	1,331	11,123
	CX352	Fences & Guardrails renewals	Expense	599	614	629	646	664	683	705	727	752	778	6,796
	CX445	Safer Roads Project	Expense		1,092	629	173	579	1,100	1,744	1,800	1,864	1,930	10,912
<b>Road safety Total</b>				<b>2,352</b>	<b>3,360</b>	<b>2,973</b>	<b>2,602</b>	<b>3,101</b>	<b>3,721</b>	<b>4,477</b>	<b>4,619</b>	<b>4,779</b>	<b>4,947</b>	<b>36,933</b>
<b>Transport Total</b>				<b>38,573</b>	<b>40,823</b>	<b>53,028</b>	<b>43,156</b>	<b>43,037</b>	<b>52,265</b>	<b>46,207</b>	<b>55,594</b>	<b>53,356</b>	<b>54,854</b>	<b>480,894</b>
Parking	CX102	Parking Asset renewals	Expense			184	862	58		1,139	1,175	1,217	1,260	5,896
	CX319	Roadside Parking Improvements	Expense	1,449	496	114	117	120	112	128	132	137	142	2,946
<b>Parking Total</b>				<b>1,449</b>	<b>496</b>	<b>298</b>	<b>979</b>	<b>179</b>	<b>112</b>	<b>1,266</b>	<b>1,307</b>	<b>1,353</b>	<b>1,402</b>	<b>8,842</b>
<b>Transport Total</b>				<b>40,022</b>	<b>41,319</b>	<b>53,326</b>	<b>44,136</b>	<b>43,216</b>	<b>52,377</b>	<b>47,474</b>	<b>56,902</b>	<b>54,710</b>	<b>56,256</b>	<b>489,736</b>
Organisational	CX010	Enterprise Applications	Expense	7,762	923									8,685
	CX245	Capital Replacement Fund	Expense	4,390	4,469	4,605	4,754	4,891	5,030	5,153	5,319	5,506	5,703	49,819
	CX258	Disaster Recovery Assets	Expense	473	1,127	4,136	701	521	819	471	486	590	925	10,249
	CX260	Technology Infrastructure Assets	Expense	130										130
	CX299	PeopleSoft Version Upgrade	Expense	50	461	1,051	1,080	1,111	1,143	1,180	1,218	1,261	1,306	9,861
	CX305	Health & Safety - Legislation Compliance	Expense	310	317	325	334	344	354	365	377	390	404	3,522

ACTIVITY COMPONENT NAME	PROJECT	PROJECT NAME	INCOME/ EXPENSE	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)	TOTAL (\$000)
	CX426	Civic Property renewals	Expense	1,746	4,202	2,993	1,453	2,673	2,518	3,629	1,400	2,195	2,774	25,584
	CX501	Commercial Properties renewals	Expense	538	452	471	297	529	613	627	849	504	685	5,566
	CX502	Community & Childcare Facility renewals	Expense	263	597	508	565	503	642	1,058	284	300	330	5,050
	CX524	Legislative changes	Expense	50	103	315	324	333	343	354	365	378	392	2,958
	CX525	Support for Business Unit Initiatives	Expense	170	585	757	778	800	823	849	876	906	938	7,481
	CX528	Office Resilience and Efficiency	Expense	950	13,695									14,645
	CX529	Civic Campus Resilience and Improvements	Expense	975	1,538	14,357	5,400		229	2,124				24,623
	CX300	Unscheduled infrastructure renewals	Expense		5,104	5,233	3,217	3,310	3,405	3,515	3,629	3,757	3,891	35,060
<b>Organisational Total</b>				<b>17,807</b>	<b>33,572</b>	<b>34,753</b>	<b>18,904</b>	<b>15,015</b>	<b>15,919</b>	<b>19,325</b>	<b>14,802</b>	<b>15,787</b>	<b>17,348</b>	<b>203,232</b>
<b>Organisational projects Total</b>				<b>17,807</b>	<b>33,572</b>	<b>34,753</b>	<b>18,904</b>	<b>15,015</b>	<b>15,919</b>	<b>19,325</b>	<b>14,802</b>	<b>15,787</b>	<b>17,348</b>	<b>203,232</b>
<b>Council Total</b>				<b>17,807</b>	<b>33,572</b>	<b>34,753</b>	<b>18,904</b>	<b>15,015</b>	<b>15,919</b>	<b>19,325</b>	<b>14,802</b>	<b>15,787</b>	<b>17,348</b>	<b>203,232</b>



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# **Part E: Appendices**

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## Appendix 1



### To the reader

## Independent auditor's report on Wellington City Council's 2015-25 Long-term Plan

I am the Auditor-General's appointed auditor for Wellington City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-term Plan (the Plan). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 24 June 2015.

### Opinion

In my opinion:

- the plan provides a reasonable basis for:
  - long-term, integrated decision-making and coordination of the Council's resources; and
  - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 192 to 196 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the City Council's audited information.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

### Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.<sup>5</sup>

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement

and the Council's systems and processes applying to the preparation of the plan.

Our audit procedures included assessing whether the:

- Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- information in the plan is based on materially complete and reliable asset and activity information;
- Council's key plans and policies have been consistently applied in the development of the forecast information;
- assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- relationship between the levels of service, performance measures and forecast financial information has been adequately explained within the plan.

### Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;

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<sup>5</sup> The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and The International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

### **Independence**

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Bede Kearney  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

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## Glossary

### NON-FINANCIAL

**Local Government Act 2002** - The Local Government Act 2002 provides the legislative framework and powers under which local government authorities operate.

**Long-term plan (LTP)** - The LTP is a document required under the Local Government Act 2002 that sets out a local authority's priorities over a 10 year period.

**Annual Plan (AP)** - The annual plan is produced for each year in between long-term plans to report and consult on variances to the adopted Long-term Plan.

**Annual Report (AR)** - The purpose of the annual report is to compare activities performed with those intended in the annual plan

**Consultation Document** - The consultation document is the basis of discussions between Council and its communities about the issues facing the district/area and how council is proposing to address those issues

**Infrastructure Strategy** - This document covers significant infrastructure issues across the groups of activity and contains 30 years' forecasted capital and operational expenditure figures. Included in this document will be assets' useful lives, growth/demand assumptions and assumed levels of service

**Asset management plans (AMPs)** - AMPs reflect a council's infrastructure and asset base in terms of future maintenance, renewal and replacement needs

**Community Outcomes** - Means the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions

**Growth Assumptions** - These are growth forecasts based on a variety of trends which enable Council to predict future growth in the city. In order for Council to plan its infrastructure and asset needs in advance, Council needs to estimate the levels of infrastructure future generations will need.

### FINANCIAL

**Associates** - Entities that the Council owns a share of but does not control. Our share of the associates' surplus/deficit and net assets is recorded in the Group financial statements. The Council's associates are Basin Reserve Trust (50%), Capacity (50%), Chaffers Marina Holding

Limited (11%), Wellington International Airport Limited (34%) and Wellington Regional Stadium Trust (50%).

**Cash and cash equivalents** - Cashflow and deposits which mature in three months or less.

**Capital expenditure (Capex)** - Expenditure that results in the creation of a new asset, or increases the life or capacity provided by an existing asset.

**External funding for capital expenditure** - Funding received from external parties which is recorded as income but used to fund capital expenditure projects.

**Net borrowings** - Net borrowings is total borrowings less any funds held on deposit.

**Net surplus/(deficit)** - Net surplus/deficit is the difference between total income and total expenses. It includes both operating revenue and operating expenditure as well as other non-funded items of revenue and expenditure such as capital funding, vested asset income and fair value movements

**Operating expenditure** - Expenditure related to providing Council Services. This excludes capital expenditure.

**Depreciation** - An expense charged each year to reflect the estimated cost of using our assets over their lives.

**Amortisation** - Relates to 'intangible' assets such as software (as distinct from physical assets, which are covered by the term depreciation).

**Fair value** - Essentially reflects the market value of assets or liabilities.

**Investment properties** - Investment properties are properties that are primarily held by the Council to earn rental income.

**Prudential limits** - Prudential limits are limits applied to the level of borrowings to ensure we are managing the Council's assets and liabilities prudently. These limits are outlined in the Investment and Liability Policy and Financial Strategy in the Long-term Plan.

**Renewal** - Renewal is capital expenditure that relates to the replacement of existing assets

**Ring-fenced** - Ring-fenced are funds that can only be used for a specific purpose

**Upgrade Capital Expenditure** - Capital expenditure that improves the level of service or meets additional demand for a service

**Funding impact statements (FIS)** - FIS sets out the sources of both the operating and capital funding and expenditure for all activities and services.

**Operating Expenditure** - Expenditure related to providing Council Services. This excludes any capital expenditure.

**Unfunded depreciation** - The amount of depreciation that is not funded by rates. An example of this is our roading assets that are funded by NZTA and sewerage treatment assets where the operator has responsibility for asset renewal.

**Vested assets** - Assets that are created by others and passed into Council ownership (e.g. roads built by a developer as part of a subdivision).

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## **DIRECTORY**

The call centre and website are your first points of contact for all Council services, including building and resource consents, complaints and queries, liquor licensing, animal control, food safety, parks and recreation facilities, Council meetings and consultation, cemeteries, landfills, transport issues, rubbish and recycling collection, parking, rates, events, archives and community services.

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