
2014/15 THIRD QUARTER REPORT

Purpose

1. This report outlines progress towards the delivery of the 2014/15 Annual Plan as at 31 March 2015.

Recommendation

That the Economic Growth and Arts Committee:

1. Note the information.

Background

2. The quarterly report informs councillors of progress against the annual plan, and also ensures the annual report does not contain any unexpected and significant variances from performance. Responsibility for the report falls within the purview of the Governance, Finance and Planning Committee.

Discussion

3. The attached quarterly report, with the accompanying appendix one, outlines the Council's progress against planned or budgeted performance for:
 - Income
 - Operational expenditure
 - Capital expenditure
 - Service delivery (KPI performance)
 - Compliance with Treasury Policy
 - Key programmes.
4. Significant variances are explained, by activity group, in appendix one to the quarterly report. This quarterly report explains variances greater than 10%.
5. Details relating to significant projects are highlighted, by relevant committee, on pages 2-4 of the quarterly report itself.

Attachments

- Attachment 1. Third Quarter Report 2014/15
Attachment 2. Appendix one - Q3 report 2014/15

| | |
|------------|---------------------------------------------------------------|
| Author | Shanan Smith, Senior Advisor Planning and Reporting |
| Authoriser | John McGrath, Acting Director Strategy and External Relations |

SUPPORTING INFORMATION

Consultation and Engagement

Not applicable.

Treaty of Waitangi considerations

Not applicable.

Financial implications

This report outlines progress against the planned projects, spending and service levels indicated in the Annual Plan.

Policy and legislative implications

Not applicable.

Risks / legal

Not applicable. This report outlines progress towards the annual plan and annual report, which are legislative requirements.

Climate Change impact and considerations

Not applicable.

Communications Plan

Not applicable.

QUARTERLY REPORT

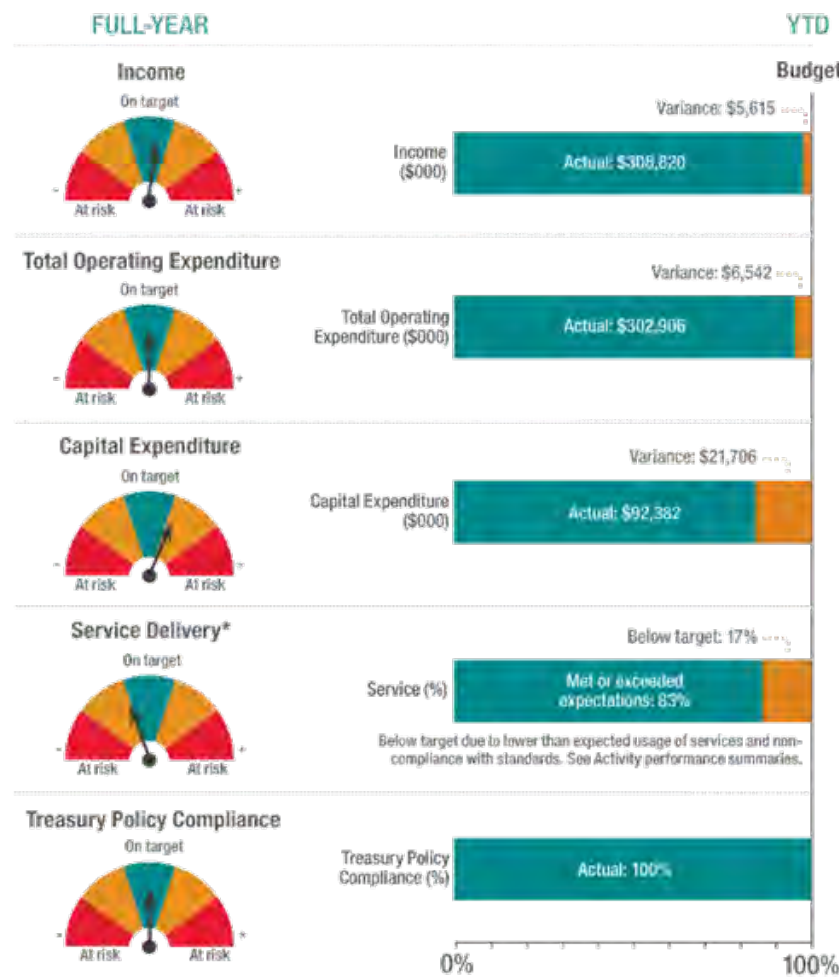
QUARTER THREE (1 JANUARY – 31 MARCH 2015)

This report summarises the Council's progress in the third quarter of 2014/15 towards fulfilling the intentions outlined in the Annual Plan. Quarterly performance is assessed against:

- income
 - total operating expenditure
 - capital expenditure
 - service delivery (KPI performance)
 - Treasury policy compliance.
- Areas where there is a risk to or significant variance from budgeted expectations are discussed in the performance summaries for each of the Council's seven activity areas.

Council is making good progress with the major projects it had planned for the year and is largely on track to meet year-end targets. Service performance exceptions are mainly due to lower than forecast use of services. See activity performance summaries for more information.

HOW ARE WE PERFORMING?



Note: that the figures for service performance only include key performance indicators (KPI) that are measured on a monthly or quarterly basis. Annual KPIs will be incorporated at year-end (30 June 2015). In some areas, KPIs exceeded their targets by over 10%. These exceptional results are also outlined in the Activity performance summaries.

FINANCIAL SNAPSHOT

STATEMENT OF FINANCIAL PERFORMANCE

The Council's consolidated financial performance for the period 1 July 2014 to 31 March 2015 is presented in this section. Positive numbers in the financial statements indicate a favourable variance from budget and negative numbers (represented by brackets) indicate an unfavourable variance from budget.

| | YTD 2014/15 | | | Full year 2014/15 | |
|----------------------------------------|----------------|----------------|----------------|-------------------|----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| Rates Income | 191,509 | 191,450 | 59 | 254,667 | 255,267 |
| Other Income | 1,889 | 2,011 | (121) | 11,423 | 13,681 |
| Lease Income | 27,592 | 27,376 | 215 | 36,245 | 36,574 |
| Interest Income | 0 | 33 | (33) | 8 | 44 |
| Income from activities | 86,185 | 80,835 | 5,350 | 129,765 | 123,205 |
| Development Contributions | 1,645 | 1,500 | 145 | 2,000 | 2,000 |
| Total Income | 308,820 | 302,205 | 5,615 | 434,100 | 430,771 |
| Personnel Expenditure | 73,318 | 73,248 | (70) | 96,907 | 97,678 |
| General Expenses | 141,711 | 142,333 | 622 | 200,378 | 200,245 |
| Financing Expenditure | 14,890 | 17,281 | 2,390 | 20,897 | 23,041 |
| Depreciation & Loss/Gain on Sale | 72,986 | 76,585 | 3,599 | 98,194 | 102,164 |
| Total Expenditure | 302,906 | 309,448 | 6,542 | 416,376 | 423,127 |
| Net Operating Surplus/(Deficit) | 5,914 | (6,243) | 12,157 | 17,732 | 7,644 |

The year-to-date net operating surplus of \$5.914m is \$12.157m better than the budgeted deficit of \$6.243m. This favourable variance is attributable to a combination of factors as outlined below.

INCOME

Year-to-date total income is above budget by \$5.615m:

- Income from Activities is \$5.350m above budget mainly due to higher New Zealand Transport Agency funding (\$4.7m) for the capital roading programme and recognition of increased government funding from the housing upgrade programme (\$0.703m).

EXPENDITURE

Year-to-date total expenditure is under budget by \$6.542m:

- Depreciation & Loss/Gain on Sale is \$3.599m under budget largely due to savings as a result of lower infrastructure asset values at 30 June 2014 than forecast. These differences will be permanent.
- Financing Expenditure is under budget by \$2.390m due to lower levels of borrowings resulting from delays in the capital programme in the first nine months of the year.

FULL YEAR FORECAST

The forecast Net Operating Surplus for the year is currently \$10.1m more than budget. This includes \$4.0m of depreciation savings resulting from lower infrastructure asset values at 30 June 2014, \$6.1m additional funding from the New Zealand Transport Agency funding in respect of the capital roading programme, \$1.3m recognition of additional government grant income from the housing upgrade programme and \$2.1m of financing expenditure savings due to a more favourable borrowings position. Offsetting these favourable forecast variances is lower revenue from parking, pools and fitness centres, the ASB centre and building consents (\$3.1m), and Council-approved overspends for Community Events and the Events Development Fund (\$1.6m).

NET OPERATING EXPENDITURE

| | YTD 2014/15 | | | Full Year 2014/15 | |
|----------------------------|----------------|----------------|----------------|-------------------|----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| Governance | 10,543 | 10,837 | 294 | 14,281 | 14,438 |
| Environment | 94,290 | 101,308 | 7,108 | 126,371 | 133,486 |
| Economic Development | 18,487 | 19,466 | 979 | 24,770 | 23,774 |
| Cultural Wellbeing | 15,575 | 14,975 | (600) | 18,047 | 17,190 |
| Social and Recreation | 37,852 | 38,319 | 466 | 49,945 | 50,228 |
| Urban Development | 15,121 | 14,413 | (707) | 20,346 | 19,270 |
| Transport | 17,149 | 18,536 | 1,387 | 24,405 | 25,028 |
| Total Activity Area | 208,927 | 217,854 | -8,927 | 278,166 | 283,414 |
| Council | (214,841) | (211,611) | 3,230 | (295,897) | (291,058) |
| Total | (5,914) | 6,243 | 12,157 | (17,732) | (7,644) |

CAPITAL EXPENDITURE

| | YTD 2014/15 | | | Full Year 2014/15 | |
|----------------------------|---------------|----------------|----------------|-------------------|----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| Environment | 18,116 | 26,645 | 8,530 | 33,122 | 33,216 |
| Economic Development | 1,339 | 2,030 | 691 | 2,471 | 2,471 |
| Cultural Wellbeing | 113 | 1,875 | 1,763 | 2,321 | 2,321 |
| Social and Recreation | 20,913 | 23,440 | 2,527 | 31,421 | 30,775 |
| Urban Development | 13,430 | 14,037 | 608 | 25,714 | 23,058 |
| Transport | 28,522 | 30,637 | 2,115 | 42,612 | 39,803 |
| Total Activity Area | 82,432 | 98,665 | 16,233 | 137,661 | 131,644 |
| Council | 9,949 | 15,423 | 5,474 | 19,297 | 20,369 |
| Total | 92,382 | 114,088 | 21,706 | 156,958 | 152,013 |

Year to date

Year to date underspend is due to several projects being behind schedule: Water and Sewer Network renewals \$7.4m; Earthquake Strengthening programme \$1.7m; Housing Renewal works \$1.6m; Zoo upgrades \$1.3m; and the refurbishment of the Museum of City and Sea \$1.2m.

Full year forecast

The full year forecast includes forecast overspends in three large projects: Johnsonville Triangle roading project \$5.1m offset by unbudgeted external funding \$4.8 m (net forecast overspend \$0.3m); Victoria Street upgrade \$4.9m offset by unbudgeted external funding \$2.2m (net forecast overspend \$2.7m); and the Housing Upgrade Programme (Kotuku project) \$1.4m (ahead of budget - to be brought forward from 2015/16). The forecast overspends are offset by forecast project underspends of \$11.0m.

STATEMENT OF BORROWINGS

Total committed borrowing facilities are \$451.5m providing headroom of \$111.5m. Our liquidity ratio is at 112% compared to the policy minimum of 110%.

| | Forecast 30 June 2015 \$000 | YTD 31 March 2015 \$000 | 30 June 2014 \$000 |
|---------------------------------------------|-----------------------------|-------------------------|--------------------|
| Facilities at start of year | 460,500 | 460,500 | 429,000 |
| New/matured facilities (net) | (9,000) | (9,000) | 31,500 |
| Facilities at end of period | 451,500 | 451,500 | 460,500 |
| Borrowings at start of year | 348,000 | 348,000 | 341,000 |
| Change in core borrowing + (-) | 22,457 | 16,843 | 6,638 |
| Repayment of loans + (-) | - | - | - |
| Change in working capital requirement + (-) | (1,457) | (24,843) | 362 |
| Net borrowings at end of period | 369,000 | 340,000 | 348,000 |
| Plus unutilised facilities | 82,500 | 111,500 | 112,500 |
| Total borrowing facilities available | 451,500 | 451,500 | 460,500 |

Note: 'Borrowing facilities' excludes \$5m of uncommitted funding lines. Facilities do not include short term commercial paper/deposits.

TREASURY POLICY COMPLIANCE

All of the core policy compliance requirements were achieved as shown below.

PRUDENTIAL TREASURY LIMITS

| Prudential limits* | Policy limit (%) | Actual (%) | Compliance |
|--------------------------------------------|------------------|------------|------------|
| Borrowings as a % of equity | <10 | 5.3 | Yes |
| Borrowing as a % of income | <150 | 86.1 | Yes |
| Net interest as a % of annual rates income | <20 | 8.2 | Yes |

| Interest rate risk control limits (interest rate exposure) | Policy limit (%) | Actual (%) | Compliance |
|------------------------------------------------------------|------------------|------------|------------|
| Fixed interest proportion | 50-95 | 92 | Yes |
| Broken down: 0-3 year bucket | 20-60 | 20 | Yes |
| Broken down: 3-5 year bucket | 20-60 | 21 | Yes |
| Broken down: 5-10 year bucket | 20-60 | 59 | Yes |

| Liquidity/funding risk (access to funds)** | Policy limit (%) | Actual (%) | Compliance |
|--------------------------------------------|------------------|------------|------------|
| Liquidity/funding risk (access to funds) | >110 | 112 | Yes |
| Broken down: 0-3 year bucket | 20-60 | 52 | Yes |
| Broken down: 3-5 year bucket | 20-60 | 28 | Yes |
| Broken down: 5-10 year bucket | 15-60 | 20 | Yes |

* Equity is based on the 2014/15 annual plan. Net interest is actual. Annual rates and income are based on 2014/15 annual plan.

** Liquidity is defined as: Current borrowings + committed loan facilities divided by 12 month peak borrowings (for the purpose of measuring liquidity short dated Commercial Paper is excluded).

KEY PROGRAMMES

| | | Q1 Actual (1 Jul–30 Sep 2014) | Q2 Actual (1 Oct–31 Dec 2014) | Q3 Actual (1 Jan–31 Mar 2015) | Q4 Planned (1 Apr–30 Jun 2015) |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Committee | Programme | Milestones | | | |
| GOVERNANCE | ACCOUNTABILITY AND PLANNING | Annual Report adopted | | | |
| | | Long-term plan: <ul style="list-style-type: none"> Workshop series commenced. | Long-term plan: <ul style="list-style-type: none"> Financial strategy. Infrastructure strategy. Programme overview. | Long-term plan: <ul style="list-style-type: none"> Funding and financial policies. Performance framework. Adopt draft plan documents and consultation document. | Long-term plan: <ul style="list-style-type: none"> Consultation. Adopt final plan. |
| | | Mid-term capex review – \$15m investment package adopted and to be implemented, including: <ul style="list-style-type: none"> Funding for Meet the Locals enclosure at Wellington Zoo. Expansion of City to Sea Museum. Victoria Street transformation in line with Central City Framework. Urban catalyst projects. | | | |
| ECONOMIC GROWTH AND ARTS | ECONOMIC DEVELOPMENT | Region wide consultation on development of Wellington Regional Economic Development Agency (WREDA). | <ul style="list-style-type: none"> WREDA established on 5 December 2014. WREDA Chair (Peter Biggs) and Board appointed. Recruitment process for WREDA Chief Executive commenced. | <ul style="list-style-type: none"> WREDA transition and implementation. Continue recruitment process for WREDA Chief Executive. Developing draft business plan for 2015/16. To be presented to WRS Committee in April. | |
| | 8 BIG IDEAS | Convention centre: <ul style="list-style-type: none"> Public consultation undertaken. | Convention centre: <ul style="list-style-type: none"> Final commercial terms agreed for Council consideration and final decision on proposal. Developer subsequently indicated problems in finalising deal on proposed site. | Convention centre: <ul style="list-style-type: none"> Progress options for delivery of the project and report back to Council. | |
| | | Tech hub: <ul style="list-style-type: none"> Developed Expression of Interest (EOI) documentation. | Tech hub: <ul style="list-style-type: none"> EOI process completed and preferred provider identified. | Tech hub: <ul style="list-style-type: none"> Business case developed. | Tech hub: <ul style="list-style-type: none"> Negotiations with preferred partner subject to LTP funding approval. Business case to be considered by Economic Growth and Arts committee. |
| | | Airport runway extension: <ul style="list-style-type: none"> Results of economic impact assessments received. | Airport runway extension: <ul style="list-style-type: none"> Reports peer reviewed by council officers and external experts. Report back to Council and approval of additional funding to complete RMA approvals process. | Airport runway extension: <ul style="list-style-type: none"> Wellington Regional Mayoral Forum agreed in principle to fund up to \$150 million towards the project. Continue to develop business case for runway extension. | Airport runway extension: <ul style="list-style-type: none"> Plan to present updates to the regional councils. Monitor progress of RMA approvals process. |
| | | Film museum: <ul style="list-style-type: none"> Preliminary investigations and concept development continue. | | | |
| MAJOR EVENTS | World of Wearable-Arts – 25 Sep to 12 Oct. Beervana – 22 to 23 Aug. All Blacks v South Africa Test – 13 Sep. LUX Light Festival – 22 Aug to 1 Sep. Oktoberfest – 19 to 20 Sep. | SkyShow – 8 Nov. Toi Māori Art Market – 14 to 16 Nov. Rugby League Four Nations Final – 15 Nov. Capital Christmas – 10 to 24 Dec. New Year's Eve Festival – 31 Dec. | IRB Sevens – 6 to 7 Feb. Homegrown Music Festival – 7 Mar. ICC Cricket World Cup – 14 Feb to 29 Mar. Cuba-Dupa – 28 to 29 Mar. | World Water Ski Racing Championships – 9 to 20 Apr. WW100 and ANZAC Commemorations – 25 Apr. AFL match – 25 Apr. FIFA Under-20 World Cup – 30 May to 20 Jun. | |
| COMMUNITY SPORTS AND RECREATION | HOUSING UPGRADE | Berkeley Dallard and Etona: <ul style="list-style-type: none"> Construction completed and buildings reoccupied. | | | |
| | | Arlington Site 1: <ul style="list-style-type: none"> Business case under development. | | | Arlington Site 1: <ul style="list-style-type: none"> Councillor workshop on redevelopment options. |
| | | Arlington Site 2: <ul style="list-style-type: none"> RFP under development. | Arlington Site 2: <ul style="list-style-type: none"> High-level brief issued to potential suppliers. | Arlington Site 2: <ul style="list-style-type: none"> RFP issued. | Arlington Site 2: <ul style="list-style-type: none"> RFP results evaluation. Commence development of detailed design. |

KEY PROGRAMMES

| | | Q1 Actual (1 Jul–30 Sep 2014) | Q2 Actual (1 Oct–31 Dec 2014) | Q3 Actual (1 Jan–31 Mar 2015) | Q4 Planned (1 Apr–30 Jun 2015) |
|---------------------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Committee | Programme | Milestones | | | |
| COMMUNITY SPORTS AND RECREATION | HOUSING UPGRADE | <p>Marshall Court:</p> <ul style="list-style-type: none"> Under construction. <p>Kotuku:</p> <ul style="list-style-type: none"> Tender evaluation complete. | <p>Kotuku:</p> <ul style="list-style-type: none"> Construction contract commenced. | <p>Marshall Court:</p> <ul style="list-style-type: none"> Construction complete. Units let to suitable occupants. <p>Kotuku:</p> <ul style="list-style-type: none"> Under construction. | <p>Standalone properties renewal and upgrade programme:</p> <ul style="list-style-type: none"> Programme planning and investigation continues. First 15 properties completed. |
| | RECREATION UPGRADES | <p>Keith Spry Pool:</p> <ul style="list-style-type: none"> Teaching pool and children's pool tanks completed. Maintenance work started on existing pool. | <p>Keith Spry Pool:</p> <ul style="list-style-type: none"> Upgrade work on new pools and change rooms continued. | <p>Keith Spry Pool:</p> <ul style="list-style-type: none"> Upgrade work completed and pool opened to the public in February 2015. | |
| ENVIRONMENT | WATER UPGRADES | <p>Seismic strengthening:</p> <ul style="list-style-type: none"> Strengthening of Maupuia No1 and No2 reservoirs completed. Melrose reservoir design work completed. | <p>Seismic strengthening:</p> <ul style="list-style-type: none"> Melrose reservoir tender completed. | <p>Seismic strengthening:</p> <ul style="list-style-type: none"> Melrose reservoir construction commenced. Completion due January 2016. Auto-shut valve (ASV) at Roseneath No 2 reservoir installed. Linden and Newlands reservoir design work completed. | <p>Seismic strengthening:</p> <ul style="list-style-type: none"> Linden and Newlands reservoir construction contract awarded. ASV installations at Montgomery, Mt Wakefield and Broadmeadows reservoirs commences. |
| | NATURAL ENVIRONMENT | <p>Our Capital Spaces:</p> <ul style="list-style-type: none"> Completed pre-engagement for review of Biodiversity Action Plan. Completed sediment reduction plan for Porirua Harbour Strategy. Established interagency planning group for the development of Watts Peninsula as a heritage park. Funding approved for Mountain Bike Economic Growth Initiative (MBEGI) to develop business plan for Wellington as a premier mountain bike destination. | <p>Our Capital Spaces:</p> <ul style="list-style-type: none"> Biodiversity Strategy approved by Environment Committee to formally consult. Consultation on draft Suburban Reserves Management Plan completed. MBEGI undertaking economic modelling for visitor mountain biking activity in Wellington. | <p>Our Capital Spaces:</p> <ul style="list-style-type: none"> Consultation completed on Our Natural Capital - Biodiversity Strategy. We received 52 detailed submissions and 26 oral submissions. Completed consultation on Mt Victoria Master Plan. | <p>Our Capital Spaces:</p> <ul style="list-style-type: none"> Final Biodiversity Strategy to Environment Committee for approval (4 June). Mt Victoria Master Plan finalised. MBEGI completed business plan for Wellington as a premier mountain bike destination. |
| TRANSPORT AND URBAN DEVELOPMENT | CITY RESILIENCE | <p>Earthquake strengthening of Council buildings:</p> <ul style="list-style-type: none"> Clarrie Gibbons Building strengthening completed. Network Newtown strengthening commenced. Truby King House chimney strengthening completed. Thistle Hall strengthening continues. | <p>Earthquake strengthening of Council buildings:</p> <ul style="list-style-type: none"> Network Newtown strengthening nearly completed. Portico demolition commenced. Band Rotunda design work commenced. Planning for strengthening chapel and crematorium at Karori Cemetery commenced. Thistle Hall strengthening completed. | <p>Earthquake strengthening of Council buildings:</p> <ul style="list-style-type: none"> Band Rotunda strengthening plan and tendering process complete. Thistle Hall contract maintenance period complete. | <p>Earthquake strengthening of Council buildings:</p> <ul style="list-style-type: none"> Band Rotunda remediation complete. Portico demolition completed. Planning for strengthening chapel and crematorium at Karori Cemetery completed. |
| | | <p>Application submitted to the Rockefeller Foundation's "100 Resilient Cities" programme.</p> | <p>Application to "100 Resilient Cities" programme successful.</p> | <p>Wellington City Council part of the New Zealand delegation to the World Conference on Disaster Risk Reduction in Sendai Japan.</p> | <p>Appoint Chief Resilience Officer to lead development of a city resilience strategy.</p> |
| | | <p>Town Hall strengthening project is awaiting further information on options. Alternative use continues to be worked on.</p> | | | |

KEY PROGRAMMES

| | | Q1 Actual (1 Jul–30 Sep 2014) | Q2 Actual (1 Oct–31 Dec 2014) | Q3 Actual (1 Jan–31 Mar 2015) | Q4 Planned (1 Apr–30 Jun 2015) | |
|---------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Committee | Programme | Milestones | | | | |
| TRANSPORT AND URBAN DEVELOPMENT | CITY RESILIENCE | <p>Hataitai Bus Tunnel:</p> <ul style="list-style-type: none"> Portal strengthening design and tender documents completed and issued. Public notification of works and stakeholder briefings. | <p>Hataitai Bus Tunnel:</p> <ul style="list-style-type: none"> Contract awarded and work to strengthen portals commenced in November 2014. Work is progressing on both sides of tunnel with 26% completed to date. <p>Seatoun Tunnel:</p> <ul style="list-style-type: none"> Received draft assessment report. | <p>Hataitai Bus Tunnel:</p> <ul style="list-style-type: none"> Work to strengthen portals continues with 90% completed. <p>Seatoun Tunnel:</p> <ul style="list-style-type: none"> Contract tender for strengthening work on hold due to request from GWRC to delay work until after the trolley buses are decommissioned in 2017. | <p>Hataitai Bus Tunnel:</p> <ul style="list-style-type: none"> Work to strengthen portals completed. <p>Seatoun Tunnel:</p> <ul style="list-style-type: none"> Complete detailed design for strengthening work. | |
| | WATERFRONT FRAMEWORK AND WATERFRONT DEVELOPMENT PLAN | North Kumutoto project: | <ul style="list-style-type: none"> Council decision on building, long-term lease and public space projects. | <ul style="list-style-type: none"> Application for resource consent submitted. | <ul style="list-style-type: none"> Resource consent application process continues. Council planning report lodged with Environment Court. | |
| | | TSB Arena and Shed 6: | <ul style="list-style-type: none"> Investigations commenced. | <ul style="list-style-type: none"> Detailed planning completed and tender documentation prepared. | <ul style="list-style-type: none"> Work underway to renew exterior cladding. | |
| | | | | | <ul style="list-style-type: none"> Waterfront Development Plan Agree and consult on draft three-year Waterfront Development Plan (WDP). | <ul style="list-style-type: none"> Waterfront Development Plan Consider submissions and adopt final WDP including the design of Frank Kitts Park. |
| | URBAN DEVELOPMENT | Parliamentary precinct: | <ul style="list-style-type: none"> Contractor appointed for Cenotaph upgrade. Construction commenced 1 September. | <ul style="list-style-type: none"> All demolition and ground works completed. Work commenced on new staircase and paving. | <ul style="list-style-type: none"> Work completed and space opened up for public use. | |
| | | Memorial park: | <ul style="list-style-type: none"> Arras Tunnel opened and park construction commenced. | <ul style="list-style-type: none"> Park construction underway. Australian Memorial construction commenced. | <ul style="list-style-type: none"> Park construction complete. | <ul style="list-style-type: none"> Park opening and Anzac day commemoration. |
| | | Kilbirnie town centre phase two: | <ul style="list-style-type: none"> Deferred pending confirmation of design brief. | <ul style="list-style-type: none"> Design brief still to confirmed following consultation. Concept design in progress. | <ul style="list-style-type: none"> Detailed design completed and contract awarded (subject to suitable design being confirmed). | <ul style="list-style-type: none"> Construction underway (subject to suitable design being confirmed). |
| | | Victoria Street: | <ul style="list-style-type: none"> Funding and concept design approved and detailed design commenced. | <ul style="list-style-type: none"> Detailed design completed and construction commenced. | <ul style="list-style-type: none"> Full construction work underway with construction commencing in southern block. | <ul style="list-style-type: none"> Major construction works to be completed by end of June. Minor additional works may continue. |
| | | Lombard Lane: | <ul style="list-style-type: none"> Design brief being confirmed. | <ul style="list-style-type: none"> Concept design completed. | <ul style="list-style-type: none"> Project placed on hold subject to adjacent building owner removing building and constructing a new one. | |
| | | | | | | |
| TRANSPORT | Island Bay to City Cycle route: | <ul style="list-style-type: none"> Section one (Shorland Park to Wakefield Park) design and consultation. Section two (Wakefield Park to John St) planning and preparation for public consultation. | <ul style="list-style-type: none"> Section one (Shorland Park to Wakefield Park) design and consultation completed. Committee agreed to final design. Section two (Wakefield Park to John St) planning and preparation for public consultation. | <ul style="list-style-type: none"> Council vote deferred while cycling framework is developed in more detail. | <ul style="list-style-type: none"> After adoption of a cycling framework, Councillors will consider the Island Bay cycleway. If approved by Council, construction is expected to commence in early 2015/16. | |
| | Johnsonville road improvements: | <ul style="list-style-type: none"> Broderick Rd Bridge construction started. | <ul style="list-style-type: none"> Broderick Rd Bridge construction continues. | <ul style="list-style-type: none"> Broderick Rd Bridge construction continued. State Highway One off-ramp work commenced. Other work commenced: Signal works, street and crossing upgrades, and pedestrian and cycling improvements. | <ul style="list-style-type: none"> Broderick Rd Bridge construction to be completed. State Highway One off-ramp work continues. Other work continues: Signal works, street and crossing upgrades, and pedestrian and cycling improvements. | |
| | Public Transport Spine: | <ul style="list-style-type: none"> Undertake core spine assessments to determine physical corridor constraints and detailed assessment of core routes based on integration with the Council's cycle planning. | | | | |

1. GOVERNANCE

Pārongo ā-Tāone

We want to maintain confidence in our decision-making.

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

WHAT WE DO

- Governance, information and engagement
- Māori and mana whenua partnerships.

HIGHLIGHTS OF THIS QUARTER

- We equipped the council meetings rooms to enable elected members and the public to participate remotely in meetings via audio and audio-visual links.
- We interacted with over 78,000 customers through the Contact Centre.
- We co-hosted with Port Nicholson Block Settlement Trust, the Waitangi Day celebrations at Waitangi Park.
- The Mayor selected her Tuia Rangatahi (Young Māori Leadership Development Programme) representative - Māia Huriwaka, a Year 13 student nominated by Wellington East Girls College.
- 11 March – we sponsored Te Rā Haka where 400 college students from across the region came together at ASB Sports Centre to learn local haka.
- 15 March – we sponsored Te Rā o Kupe, which was hosted by The Kupe Charitable Trust, recognising local Māori music and food.

SIGNIFICANT VARIANCES TO PERFORMANCE¹:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Variance explanation |
|----------------------------------------------------------------------------------------------------------------------|--------|--------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council, committee and subcommittee reports that are made available to the public five days prior to the meeting (%) | 61% | 80% | (24%) | Over 80% of agendas were with the elected members five days before meeting and in the public domain four days before the meeting. We continue to achieve 100% for our statutory target to make reports available to the public two days prior to meetings. |

NET OPERATING EXPENDITURE

| Activity | YTD | | | Full Year | |
|---------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 1.1 Governance, Information & Engagement | 10,444 | 10,669 | 224 | 14,057 | 14,213 |
| 1.2 Māori Engagement (mana whenua) | 99 | 169 | 70 | 225 | 225 |
| Year to date variance is due to timing of MOU payments. | | | | | |
| TOTAL | 10,543 | 10,837 | 294 | 14,281 | 14,438 |

CAPITAL EXPENDITURE

No significant variances.

¹ Areas where performance varied from budgeted expectations by more than 10%.

2. ENVIRONMENT

Taiao

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

WHAT WE DO

- Gardens, beaches and green open spaces
- Waste reduction and energy conservation
- Water
- Wastewater
- Stormwater
- Conservation attractions.

HIGHLIGHTS OF THIS QUARTER

Gardens and green open spaces

- We hosted the Kirsten Reynolds photographic exhibition at the Treehouse in the Botanic Garden.
- We completed the fit out of the Sextons Cottage in the Bolton Street Cemetery for public hire.
- Te Kopahou Reserve Visitors Centre won 2 awards in the NZ Institute of Landscape Architecture awards, the George Malcolm Supreme Award and an award for outstanding design.
- Otari-Wilton's Bush won an international Green Flag Award. Green Flags are awarded for excellent management of the environment, historical features, safety and as great places to play and relax.
- We completed renewals and upgrade work on the Blue Trail at Otari-Wiltons Bush.
- Victoria University Summer Scholars completed work on a range of topics including the Great Kereru Count, visitor use of mobile technology in the Botanic Gardens and pest monitoring in rural areas.
- We developed a new trail at Makara Peak Mountain Bike Park (Peak Flow).
- We completed a pedestrian bridge build on the community track Silversky in Crofton Downs, on behalf of the local community group. This was a project funded by Transpower.
- We completed a new entranceway and car park on Alexandra Road, Mt Victoria to assist with vehicle congestion at the SPCA (in the old Chest Hospital).
- The success of the Southwest Peninsula goat project was reported to stakeholders in the Makara community, with a 4,950 goats killed over the length of the project (2011–14).
- We continued to maintain infrastructure within gardens and green open spaces including maintaining and repairing furniture, carparks and fencing. We installed new bike racks at Princess Bay and an outdoor shower at Surfers Corner in Lyall Bay. We also installed ten commemorative seats in reserves and coastal areas.
- We completed regular garden and turf maintenance over the quarter. Weather wise it was very dry, which impacted on turf areas with no irrigation. Overall we averaged 90% for our operational (mowing, horticulture and sportsfields) maintenance audits which met our targets.
- We completed removal of 1.2 hectares of hazardous trees on Te Ahumairangi. This is part of our ongoing management of high-risk areas.
- We celebrated Parks Week (7 -15 March) with 27 events, located in 25 different open spaces with more than 6000 participants. It was our biggest Parks Week yet and received good media coverage. The week was launched with a Pop Up Forest in Bond Street where 700 native trees were given away.

- 3 University students from Germany completed a 3 month internship working on a range of tasks across Council including a Parks User Survey, street tree data collection and learning about different aspects of local government in NZ.

Climate change, smart energy and waste reduction

- Smart Energy challenge – five teams completed this year’s Smart Energy Challenge, with one team, Switched on Bikes, already launching a new business, a crowdfunding campaign, and gaining media profile.
- Ninety-five homes received a sustainability assessment as part of the Home Energy Saver Programme.
- Forty low-income families received insulation retrofits as part of the Warm Up Wellington programme.
- National Food Waste Prevention Program – a joint project involving all of the nine councils from the Wellington region identified organic waste (including food waste) as a key area to manage. A project was undertaken to understand exactly how much edible food is being thrown away and how people can be helped to reduce waste. A national promotional campaign was launched in March 2015, to publicise the results of the research and raise public awareness.

Water, wastewater and stormwater

- We renewed water mains in Knoll St, Drummond St, and Ranelagh St.
- We renewed sewer drains in Warwick St, Garden Rd, South Karori Rd and Fernlea Ave.
- Stormwater drains were replaced through Massey University out to Wallace St and in Braithwaite St. A section of culvert in Kent Tce was strengthened.

SIGNIFICANT VARIANCES TO PERFORMANCE²:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Explanation |
|---------------------------------------------------------------|------------|------------|-------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitors to Botanic Garden | 1,180,189 | 1,027,686 | 15% | We had an increase in cruise ship visitors, and good weather resulted in high attendance at the Summer City Gardens Magic shows. |
| WCC Corporate energy use: main CCOs | 5,487,118 | 7,327,696 | 25% | In previous years this measure included Wellington Waterfront Limited, which is now included in the WCC general result |
| WCC Corporate energy use: WCC general | 14,911,311 | 13,480,065 | (11%) | This result now includes City Shaper (previously called Wellington Waterfront Limited), which was previously included in the main CCOs result. |
| Freshwater sites (%) within acceptable faecal coliform counts | 75% | 95% | (21%) | Investigations are ongoing for the four areas where water quality is poor. We have corrected the faults we have found so far. |
| Zealandia – education programme attendees | 4,750 | 5,277 | (10%) | The Trust expects to achieve its year-end target. |

NET OPERATING EXPENDITURE

| Activity | YTD | | | Full Year | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|----------------|----------------|--------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 2.1 Gardens, Beaches and Open Space | 20,012 | 20,796 | 784 | 27,646 | 28,176 |
| Under budget due to the timing of the grant funding for the Lyall Bay Surf Club and savings in rates for the Town Belt. This is partly offset by additional street cleaning costs. | | | | | |
| 2.2 Waste Reduction & Energy Conservation | 392 | 833 | 441 | 118 | 280 |
| Year to date variance mainly due to timing of general expenditure. Forecast variance relates to increased revenue from rubbish bag sales and waste minimisation activities, which is offset by lower volumes of waste to the landfill. | | | | | |
| 2.3 Water | 27,456 | 29,907 | 2,452 | 36,994 | 39,879 |
| Year to date and forecast variance mainly relates to savings on insurance costs and depreciation, following the revaluation of infrastructure assets. | | | | | |
| 2.4 Wastewater | 29,049 | 30,284 | 1,235 | 38,897 | 40,377 |
| Year to date and forecast variance relates to savings on wastewater treatment due to reduced flows through Moa Point and savings on | | | | | |

² Areas where performance varied from budgeted expectations by more than 10%.

| Activity | YTD | | | Full Year | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| electricity. | | | | | |
| 2.5 Stormwater | 11,849 | 13,985 | 2,136 | 16,611 | 18,647 |
| Year to date and forecast variance mainly relates to savings on insurance costs and depreciation, following the revaluation of infrastructure assets. | | | | | |
| 2.6 Conservation Attraction | 5,442 | 5,503 | 60 | 6,104 | 6,126 |
| TOTAL | 94,200 | 101,308 | 7,108 | 126,371 | 133,486 |

CAPITAL EXPENDITURE

| Activity | YTD | | | Full Year | |
|---------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 2.1 Gardens, Beaches and Open Space | 2,132 | 1,968 | (164) | 3,079 | 3,073 |
| Programme is ahead of schedule. | | | | | |
| 2.2 Waste Reduction & Energy Conservation | 316 | 467 | 152 | 979 | 979 |
| 2.3 Water | 5,751 | 10,991 | 5,240 | 12,904 | 13,004 |
| Several projects started later than expected but are scheduled to be completed by year-end. | | | | | |
| 2.4 Wastewater | 4,502 | 6,824 | 2,231 | 7,420 | 7,745 |
| Several projects started later than expected but are scheduled to be completed by year-end. | | | | | |
| 2.5 Stormwater | 3,986 | 3,524 | (462) | 4,580 | 4,255 |
| Some projects have been completed ahead of schedule. | | | | | |
| 2.6 Conservation Attractions | 1,429 | 2,872 | 1,443 | 4,160 | 4,160 |
| Zoo upgrades and renewals are behind schedule but are expected to be completed by year-end. | | | | | |
| TOTAL | 18,116 | 26,645 | 8,530 | 33,122 | 33,216 |

3. ECONOMIC DEVELOPMENT

Whanaketanga ōhanga

By supporting city promotions, events and attractions, we underscore Wellington's reputation as a great place to live and visit.

WHAT WE DO

- City promotions and business support

HIGHLIGHTS OF THIS QUARTER

Events

- Wellington hosted four Cricket World Cup matches that attracted more than 80,000 fans, with 30-35% of attendees coming from outside the Wellington Region. The matches were complimented with a full activation programme including twilight concerts, a quarter final harbour fireworks show, the village green fan zone, street entertainers and fan trails.
- The inaugural CubaDupa transformed Cuba Street into an immersive festival of light, sound and taste. This celebration of Wellington's unique creative energy and cultural diversity attracted thousands to explore the Cuba Quarter as it was filled with food, music, dance and live street art.
- The Homegrown music festival was again a sell-out event and a great success despite some challenges. For the first time in the event's 8 year history the event was postponed a day due to gale force winds. Homegrown then morphed into two days of celebrating Kiwi Music.
- Summer City 2014/15 – more than 90 events showcased the talents of over 500 performers to an audience of over 400,000. We supported this with a marketing campaign that included the 'Our Wellington' Summer brochure and a strong Social Media campaign.
- We welcomed Meridian Energy as a sponsor of Gardens Magic, and presented a stellar line up of over 100 local musicians to more than 50,000 people. Students from Massey University College of Creative Arts designed and built the lighting installations.
- Approximately 20,000 attended the biennial Southeast Asian Night Market, which for the first time ran across two nights.

Innovation

- The Local Heroes speaker series for staff continued with speakers presenting to staff in February and March.
- Following successful response to ICT Grad school request for expression of interest, consortium submitted response to Request for Proposal.
- Supported a second civic hack-a-thon in Miramar.
- Supported Venture-Up, New Zealand's first youth accelerator.
- Provided support to NZ's first Open Source, Open Society conference to be held in April.

Wellington Museums Trust

- The Great Anniversary Weekend Scavenger Hunt attracted 1,800 visitors to the waterfront to experience activity presented by Capital E in partnership with all our Trust institutions, and selected other institutions and precinct businesses.
- Capital E launched their 2015 Schools programmes in OnTV and MediaLab including a new format, Across the Trenches, which is already proving to be the most popular of the script offerings in the OnTV Studio this year.
- Nearly 1,000 people attended City Gallery Wellington's February Tuatara Open Late with a performance by Lawrence Arabia.

- The Yvonne Todd: Creamy Psychology exhibition at City Gallery Wellington closed on 15 March with total attendance for the exhibition of 42,767 and 316 copies of the Yvonne Todd book sold in our shop.
- A major upgrade/replacement of the Planetarium at Carter Observatory was completed.
- The Museum of Wellington City & Sea launched their public fundraising campaign for the Development project with their *What Year Are You?* campaign.
- The Capital E 2015 National Arts Festival ran in March across 14 days, showcasing 11 New Zealand and international productions, four world premieres, one mini Film Festival, and 196 performances.

SIGNIFICANT VARIANCES IN PERFORMANCE³:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Explanation |
|--------------------------------------------------|---------|---------|-----|-------------|
| Estimated attendance at Council supported events | 497,723 | 330,000 | 51% | |

NET OPERATING EXPENDITURE

| Description | YTD | | | Full Year | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 3.1 City Promo & Business Support | 18,487 | 19,466 | 979 | 24,770 | 23,774 |
| Council approved a \$0.8m overspend in relation to Events (C581) on 30th September 2014. The heavy events calendar this year, has led to an additional forecasted overspend. | | | | | |
| TOTAL | 18,487 | 19,466 | 979 | 24,770 | 23,774 |

CAPITAL EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 3.1 City Promo & Business Support | 1,339 | 2,030 | 691 | 2,471 | 2,471 |
| TSB Arena work is behind schedule. | | | | | |
| TOTAL | 1,339 | 2,030 | 691 | 2,471 | 2,471 |

³ Areas where performance varied from budgeted expectations by more than 10%.

4. CULTURAL WELLBEING

Oranga ahurea

Supporting arts activity adds vibrancy to the city as well as promoting inclusive, tolerant and strong communities.

WHAT WE DO

- Arts and cultural activities

HIGHLIGHTS OF THIS QUARTER

Public Art

- The Public Art Panel selected three light box exhibitions for a year's exhibition programme, from December 2015. One public art proposal for a photographic poster project from Newtown through the city was also selected.
- The Public Art Fund supported two innovative digital arts projects, Rainscape and Time Machine, which were presented in February as part of The Performance Arcade.
- In March, a Public Art Fund project took 400 passengers by ferry to the quarantine limit of Mokopuna Island for an artist's vocal performance that revisited the fate of a sick man who died there in 1904.
- Joe Sheehan's major sculpture and soundscape Walk The Line, commissioned by the Wellington Sculpture Trust, for the newly developed Cenotaph precinct, was successfully completed.
- A new exhibition, The Colour of Courtenay Place by artist Gary Peters was installed in the Courtenay Place Park light boxes.
- The international contemporary artists Sasha Huber and Petri Saarikko took up residence at Te Whare Hēra, the live-and-work space dedicated to the Wellington International Artist Residency programme.
- We purchased new artworks by Lucien Rizos, Shannon Te Ao and Shaun Waugh for the City Art Collection.
- Conservation of a number of historic works being presented as part of the upcoming Portrait Gallery exhibition, Capital Characters, was undertaken.
- Toi Pōneke delivered three exhibitions – Black Dog Failure by Mark Antony Steelsmith, Low Noise 2 curated by Jason Wright, and In Response by Connah Podmore and Maria O'Toole.
- The Toi Pōneke 2015 Whitireia NZ artist-in-residence moved into her studio.
- Work continues on repairs to the Zephyrometer and Kereru Sculptures. Both are scheduled for reinstatement next quarter.

Supported projects

- The inaugural Upstream Art Trail in Central Park, which was held from 5–8 March, showcased installations from emerging artists and local schools. It was supported by the Creative Communities Scheme and the Arts and Culture Fund.
- The second Putahi Festival of contemporary Maori Theatre was held at Victoria University from 24–28 February. The event was supported by an Arts and Culture Grant.

Community arts

- Artist Ellen Coup completed a series of murals at the corner of Mandalay Terrace and Cashmere Ave in Khandallah on a bus shelter, electricity substation and two service boxes.
- Artist Ash Sisson completed a mural on a bus shelter at Luxford Street, Berhampore.
- We partnered with the Goethe Institute and Toi Whakaari to welcome Berlin performance artist Uta Plate to Wellington for three months as the artist in resident at the Bolton Street Cottage.

SIGNIFICANT VARIANCES IN PERFORMANCE⁴:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Explanation |
|--------------------------------------------------|---------|-----------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Te Papa visitors | 863,995 | 1,052,500 | (18%) | Highest quarterly attendance this year, but still well below budgeted numbers. Five exhibits have ended this quarter, including Tyrannosaurus which has the 2nd highest opening weekend. |
| Arts and cultural festivals estimated attendance | 560,955 | 684,000 | (18%) | Figures exclude CubaDupa attendance of 50,000, which was funded through the WEID fund. |
| Total visits to museums and galleries | 542,648 | 452,670 | 20% | Capital E and Museum of Wellington City & Sea have already achieved their full year targets. Other institutions are also performing well. However, visits to Carter Observatory are below target. |

NET OPERATING EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|-----------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 4.1 Galleries and Museums | 15,575 | 14,975 | (600) | 18,047 | 17,190 |
| Council approved a \$0.8m overspend in relation to Community Events (C130E) on 30th September 2014. | | | | | |
| TOTAL | 15,575 | 14,975 | (600) | 18,047 | 17,190 |

CAPITAL EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|-------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 4.1 Galleries and Museums | 113 | 1,875 | 1,763 | 2,321 | 2,321 |
| Work on the Cable Car precinct and Museum of City and Sea is behind schedule. | | | | | |
| TOTAL | 113 | 1,875 | 1,763 | 2,321 | 2,321 |

⁴ Areas where performance varied from budgeted expectations by more than 10%.

5. SOCIAL AND RECREATION

Pāpori me te hākinakina

We provide a wide range of services throughout the city to encourage quality of life and healthy lifestyles.

WHAT WE DO

- Recreation promotion and support
- Community support
- Public health and safety.

HIGHLIGHTS OF THIS QUARTER

Recreation promotion and support

- Our facilities hosted New Zealand Basketball Association (NZBA) Camps, Central Pulse v Melbourne Vixens Netball Match, College Sport Wellington Volleyball Regional Champs, College Sport Wellington Futsal Regional Champs, College Sport Wellington Athletes with a Disability Day, National Secondary Schools Futsal Champs, Wellington Regional Long Course Swimming Championships, New Zealand National Junior Swimming Championships, North Island Diving Championships and the Weetbix Tryathlon.
- We started the field preparation for the two training grounds for the FIFA U20 World Cup, Newtown Park and David Farrington Park.
- Summer sport ended and we began the transition of our sportsfields to winter layouts.
- We hosted the Colgate Games, Capital Classics, McEvedy Shield and the NZ Track and Field Championship at Newtown Park, National Lacrosse Tournament at Wakefield Park and PK Softball Tournament at Hataitai Park.
- We provided training fields for the International Rugby 7's competition.
- We converted the old bowling club at Terawhiti in Karori into a football training field for Waterside Karori Football Club.
- We delivered 23 Push Play Events, with 1274 people participating.
- We promoted recreation and programmes delivering four Pop-up Park events, focusing on Mountain Biking, Golf, ASB Programmes and PARKing Day.
- We continued to work with Alex Moore Park Sport and Community Inc. on their proposal for a new indoor sport building at Alex Moore Park, Johnsonville.
- We completed playground upgrades at Tui Park and Lyndhurst Park.

Community support

- We launched a Korean Corner in the Central Library in January. It provides a significant expansion of the Central Library's Korean collection and is the first of its kind in Oceania. It includes customer PCs, DVDs and K-pop music CDs as well as books.
- In March we launched a Chinese Corner at the Central Library. The corner is made up of 300 books including 200 Chinese Language teaching books. The initiative is a joint undertaking between China Hanban, the Confucius Institute and the China Educational Publications Import and Export Corporation.
- We completed the construction of 27 one-bedroom apartments at Marshall Court (Miramar) which has been shortlisted for a NZIA Award.
- We vacated Kotuku Apartments (Kilbirnie) and handed the site over to the construction company for upgrade.
- We presented at the construction industry's national conference on the housing upgrade programme and Council's social housing service.

- We engaged over 100 tenants in the first phase of the social housing policy review process.
- In partnership with the Police and Community Patrols New Zealand, Pasifika Community Patrol and Western Community Patrol have been set up and a work plan is being developed.
- Successful Neighbours Day Aotearoa 2015 Summer of Neighbourliness, including various programmes and events at summer community fairs and festivals, community gardens, libraries, retirement homes and streets and neighbourhoods.
- The Neighbours Day Aotearoa campaign, #wellynextdoor, was very successful with nearly 7,000 visits from people all over the world. Our partnership with NEC enabled the #wellynextdoor videos to be incorporated into the videowall at Wellington International Airport.
- We facilitated the completion of the Johnsonville Mural and the Bee/community orchard bus stop mural in Khandallah.
- We continued to deliver the Urban Agriculture Programme and coordinated the Heritage Fruit Tree programme, with many volunteers waiting to adopt trees.
- We are partnering with Enviroschools, to enhance our environmental programmes in schools including coordinating bee programmes into schools to enhance our Bee-friendly City programme. This includes providing bee-friendly flower seeds, and putting together Bee Guidelines for the public.
- We further delivered on the Positive Aging Policy with more SeniorNet programmes, and a pictorial emergency resource for older or disabled persons. We also provided more Neighbours Cards to the CCDHB for their Health Passports and facilitated Neighbours Day activities with various retirement homes across the city.
- Wellington City was registered as a Child & Youth Friendly City and as part held a joint forum with UNICEF, to promote and foster child-friendly initiatives to progress accreditation.

Public Health and safety

- We have developed CCTV guidelines which formalise the role of CCTV in the safe city programme and guide future consideration for further cameras.
- We are piloting (in Cuba Street) the Eyes On theft prevention communication network in Cuba St in partnership with the police and local retailers. Critical information regarding shoplifting is shared via text and email in real time. 37 stores have signed up to be part of the programme.
- Worked with the police and the universities to ensure a presence at the students O-weeks. Liquor ban flyers and posters distributed at events and to university halls to raise awareness amongst students. Used social media to promote "The Pack" app during O-week events.
- A dedicated Graffiti Volunteer Coordinator has begun to work with local communities to develop volunteer programmes that will reduce graffiti vandalism, develop community ownership, restoring community pride and responding to the zero tolerance approach to the management of graffiti in the city.

SIGNIFICANT VARIANCES IN PERFORMANCE⁵:

SERVICE DELIVERY

| Measure | Actual | Target | Variance | Variance Explanation |
|----------------------------------------------------|---------|---------|----------|-------------------------------------------------------------------------------------------------------------|
| Visits to facilities: ASB Sports centre (off peak) | 237,779 | 268,522 | (11%) | Off peak variation is due to reduced basketball training prior to school. |
| Visits to facilities: ASB Sports centre (peak) | 206,016 | 234,862 | (12%) | Weekday evening and Saturday usage was strong. We are implementing initiatives to increase Sunday bookings. |
| ASB Centre courts utilisation (peak) | 42% | 71% | (41%) | Weekday evening and Saturday usage was strong. We are implementing initiatives to increase Sunday bookings. |
| ASB Centre courts utilisation (off-peak) | 36% | 35% | 4% | |

⁵ Areas where performance varied from budgeted expectations by more than 10%.

| Measure | Actual | Target | Variance | Variance Explanation |
|------------------------------------------------------------------------------------------------------------------|-----------|---------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Libraries website visitor sessions | 2,747,316 | 900,000 | 205% | In 2012/13 we changed the measurement methodology. We expected results to decrease and we reduced the target accordingly. The expected decrease has not occurred and we will increase the target in the next long-term plan. |
| Number of uses of Leisure Card | 92,878 | 73,759 | 26% | Use is consistent with the same period last year. |
| Occupancy rates (%) of Wellington City Council Community Centres and Halls | 36% | 45% | (21%) | We changed the methodology for this measure, which now combines community centres and community halls. We also set a new stretch target that we will struggle to meet by year-end. |
| Dog control – complaints received (% of registered dogs) | 2.0% | 2.6% | 23% | |
| Percentage of planned inspections carried out for high-risk premises (category 3) | 83% | 75% | 11% | After a slow start to the year, we are on track to achieve this target at year end. |
| Percentage of inspections carried out for high-risk premises (category 3) carried out during high trading hours. | 31% | 25% | 23% | After a slow start to the year, we are on track to achieve this target at year end. |

NET OPERATING EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|----------------|---------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 5.1 Recreation Promotion & Support | 20,144 | 19,260 | (885) | 26,799 | 25,126 |
| Revenue is unfavourable mainly in the fitness centres and the ASB Sports centre. Also labour costs are over budget partly due to the introduction of the Wellington Wage. This has meant a higher allocation of corporate overheads to this activity. | | | | | |
| 5.2 Community Support | 11,385 | 12,841 | 1,455 | 14,586 | 16,821 |
| Under budget primarily due to Social Housing. The key variances are the timing of the recognition of the Crown grant for the Housing Upgrade Project and savings in interest, insurance and depreciation. | | | | | |
| 5.3 Public Health and Safety | 6,323 | 6,218 | (104) | 8,560 | 8,281 |
| Over budget due to additional cleaning, depreciation and labour costs. | | | | | |
| TOTAL | 37,852 | 38,319 | 466 | 49,945 | 50,228 |

CAPITAL EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|----------------|---------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 5.1 Recreation Promotion & Support | 5,048 | 5,629 | 581 | 7,243 | 7,243 |
| Some projects have started later than anticipated but are expected to be completed by the end of the year. | | | | | |
| 5.2 Community Support | 14,895 | 16,902 | 2,008 | 22,987 | 22,222 |
| Under budget mainly due to housing renewal works behind budget. The Housing Upgrade Project is currently expected to be ahead of schedule by year end. | | | | | |
| 5.3 Public Health and Safety | 989 | 909 | (79) | 1,191 | 1,310 |
| Programme is ahead of schedule. | | | | | |
| TOTAL | 20,913 | 23,440 | 2,527 | 31,421 | 30,775 |

6. URBAN DEVELOPMENT

Tāone Tupu Ora

Our focus is on enhancing Wellington as a compact, vibrant, attractive and safe city that is built on a human scale and is easy to navigate.

WHAT WE DO

- Urban planning, heritage and public spaces development
- Building and development control.

HIGHLIGHTS OF THIS QUARTER

- An application for a new air traffic control tower has been received. This will be sited in a new location adjacent to the airport retail park.
- An application for the demolition and replacement of BP House on Customhouse Quay has been received. The building has been vacant since the 2013 Seddon earthquakes.
- The Council's planning report for the Site 10 Direct Referral application has been submitted to the Environment Court.
- The Karori and Tawa communities have been consulted regarding the prospect of medium density residential areas (MDRAs) being established. A draft plan change and town centre plan will now be prepared following this consultation. A full plan change will be notified later in the year.
- Detailed designs for the Masons Lane and Eva/Leeds Streets projects have been completed.
- The first tranche of special housing areas approved by Council in the first quarter have now been approved by Government as part of the implementation of the Wellington Housing Accord.
- Retailers on Bond Street launched a website bondstcollective.co.nz to complement the activation project.
- Enabling works for the Transmission Gully project have begun.

SIGNIFICANT VARIANCES IN PERFORMANCE⁶:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Variance Explanation |
|------------------------------------------------------------------|--------------------|----------|-------|-----------------------------------------------------------------------------------------------------------------------|
| Land Information Memorandums (LIMs) issued within 10 days | 74% | 100% | (26%) | Performance was affected by continued high work volumes and training of new staff, which was undertaken this quarter. |
| Earthquake strengthened council buildings: programme achievement | Partially-Achieved | Achieved | n/a | Partially achieved due to delays in work on the Town Hall and Portico. |

NET OPERATING EXPENDITURE

| Description | YTD | | | Full Year | |
|-----------------------------------------------------------------------|---------------|---------------|----------------|----------------|---------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 6.1 Urban Planning and Policy | 8,887 | 8,792 | (95) | 12,011 | 11,951 |
| 6.2 Building & Development Control | 6,234 | 5,622 | (612) | 8,336 | 7,319 |
| Building and Resource consent volumes and income lower than budgeted. | | | | | |
| TOTAL | 15,121 | 14,413 | (707) | 20,346 | 19,270 |

CAPITAL EXPENDITURE

| Description | YTD | | | Full Year | |
|-------------|--------|--------|----------|-----------|--------|
| | Actual | Budget | Variance | Forecast | Budget |

⁶ Areas where performance varied from budgeted expectations by more than 10%.

| | \$000 | \$000 | \$000 | \$000 | \$000 |
|-------------------------------------------------------------------------------------------------------------------|---------------|---------------|------------|---------------|---------------|
| 6.1 Urban Planning and Policy | 10,050 | 8,931 | (1,119) | 21,531 | 17,500 |
| Victoria Street and Parliamentary Precinct projects - external funding received not included in original budgets. | | | | | |
| 6.2 Building & Development Control | 3,379 | 5,106 | 1,727 | 4,183 | 5,558 |
| Under budget as the Earthquake Strengthening programme is behind schedule. | | | | | |
| TOTAL | 13,430 | 14,037 | 608 | 25,714 | 23,058 |

7. TRANSPORT

Waka

We manage the transport network so it is sustainable, safe and efficient.

WHAT WE DO

- Transport
- Parking.

HIGHLIGHTS OF THIS QUARTER

Parking

- The parking sensor trial commenced in Blair and Allen streets with sensors embedded into the pavement. Customers can now enter their parking space number at the pay machine with no need to go back to their car to place a ticket on their dashboard. The trial will conclude in June 2015.

Transport

This quarter we:

- completed 5.4km footpath renewal against a target of 6.5km. The planned annual total for footpath renewal is 25km.
- completed 2.9km kerb and channel renewals against a target of 3.0km. The planned annual total for kerb and channel renewal is 12.0km.
- repaired or replaced nearly 6,000 signs and poles and 1.6km of handrails.
- undertook repairs at 18 of our bus shelters and maintained Lambton Interchange.
- installed and repaired 24 items of street furniture (seats, bins, cycle racks)
- maintained and/or renewed 41 'Give Way' triangles, 117 turning arrows, 6km of centre lines and 662 cats-eyes.
- replaced 14 faded accessibility parking symbols
- approved 1,730 Corridor Access Requests for utility network maintenance and other temporary activities on the transport network, monitoring activity as appropriate.
- provided nearly 600 approvals for significant temporary traffic management plans.
- completed lighting design work for the Cuba Mall lighting upgrade.

SIGNIFICANT VARIANCES IN PERFORMANCE⁷:

SERVICE DELIVERY

| Measure | Actual | Target | Var | Variance Explanation |
|---------------------------------|--------------|----------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Quarry – legislative compliance | Not-achieved | Achieved | n/a | This quarter, there were two non-compliant events. The first incident, which occurred on 17 February, was an environmental breach of consent relating to the quality of water discharged to the stream. This breach resulted in a warning only from GWRC (no formal enforcement action was taken). The quarry operator responded to the incident by installing an additional valve which will prevent a similar incident from occurring again in the future. The second incident occurred on 16 March, when heavy rainfall resulted in significant surface run-off and floodwater entering the stream. The quarry operator tested the water entering the stream and identified that the suspended solids concentration was 209g/m ³ (120g/m ³ is permitted). GWRC was notified and took no action as the event was deemed to be beyond the quarry operator's control. |

NET OPERATING EXPENDITURE

| Outcome Description | YTD | Full Year |
|---------------------|-----|-----------|
|---------------------|-----|-----------|

⁷ Areas where performance varied from budgeted expectations by more than 10%.

| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| 7.1 Transport | 27,652 | 29,009 | 1,357 | 38,449 | 39,114 |
| Year to date and forecast variance mainly relates to savings on insurance costs and depreciation, following the revaluation of infrastructure assets. | | | | | |
| 7.2 Parking | (10,503) | (10,473) | 29 | (14,044) | (14,086) |
| TOTAL | 17,149 | 18,536 | 1,387 | 24,405 | 25,028 |

CAPITAL EXPENDITURE

| Outcome Description | YTD | | | Full Year | |
|--------------------------------------------------------------------------------------------|-----------------|-----------------|-------------------|-------------------|-----------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 |
| 7.1 Transport | 28,478 | 30,564 | 2,086 | 42,492 | 39,623 |
| Delays in several projects, including the Karori Road wall and Island Bay Cycleway network | | | | | |
| 7.2 Parking | 44 | 73 | 29 | 120 | 180 |
| TOTAL | 28,522 | 30,637 | 2,115 | 42,612 | 39,803 |