

Draft Annual Plan 2010/11 Deliberations

Delivering on year two of the long-term plan
2 March 2010

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Setting the scene

Build on the long-term plan that aims sustain momentum towards a:

- vibrant
- internationally competitive
- affordable city.

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Operating environment

- Local Government Act changes
- Regional governance
- Competition and pressure on sponsorship
- Understanding patterns of use:
 - community facilities review
 - aquatic services.

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Focus for 2010/11

- Deliver on year two commitments
- Align and leverage off the Rugby World Cup
- Ensure capacity for the future
- Aim for zero harm
- Keep rates increases significantly below the 5.88% previously forecast.

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Financial Overview

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Proposed Operational Expenditure Programme and Rates Funding Requirement 2010/11

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2010/11 Forecasted Rates Funding Requirement

Annual Plan Budget Component	\$m 2 March 2010	% Rates Impact
Rates Funding Requirement increase as per LTCCP – 2010/11	12.582m	5.88%

Business as Usual (BAU) budget - Rates funding requirement increase	10.958m	5.12%
Forecasted Growth in Ratepayer Base	(1.070m)	(0.50%)
Forecasted BAU Real Rates Funding Requirement increase	9.888m	4.62%

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2010/11 Forecasted Rates Funding Requirement (cont.)

Annual Plan Budget Component	\$m 16 Feb 2010	% Rates Impact
Forecasted BAU Rates Funding Requirement increase	9.888m	4.62%
Review of Fees and User Charges (includes Parking)	(1.146m)	(0.54%)
Forecasted Rates Funding Requirement increase	8.742m	4.09%
New Initiative variances	1.600m	0.75%
Forecasted Rates Funding Requirement increase	10.342m	4.83%

2 March 2010

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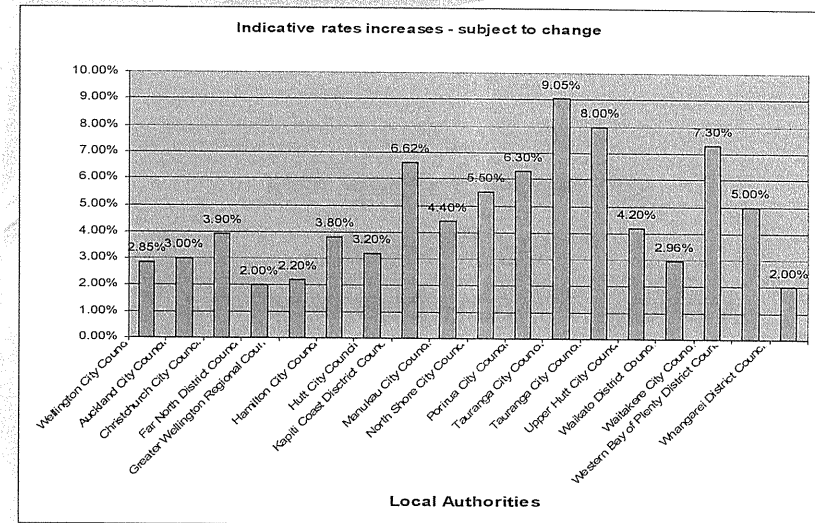
2010/11 Forecasted Rates Funding Requirement (cont.)

Annual Plan Budget Component	\$m 16 Feb 2010	% Rates Impact
Forecasted Rates Funding Requirement increase	10.342m	4.83%
"Efficiency target" to find to meet 2.85% RFR	(4.243m)	(1.98%)
Forecasted Real Rates Funding Requirement increase	6.099m	2.85%

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Comparison of indicative rates Increases

REF: 031/10PA



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Proposed Capital Expenditure Programme 2010/11

CAPEX and Loan Funding Programme 2010/11 Forecast

Annual Plan Budget / Funding Programme	16 Feb 2010 \$million
2010/11 BAU Annual Plan Capex Budget (excl. ICSC & Housing)	102.8
2010/11 Forecast ICSC Capex Budget	25.3m
2010/11 Forecast Housing Capex budget	37.0m
2009/10 Annual Plan Forecast (C/F Projects)	31.8m
Total 2010/11 BAU Annual Plan CAPEX Budget	196.9m
Target CAPEX & Loan Funding Programme	200.5m
GAP to CAPEX & Loan Funding Programme cap	(3.6m)

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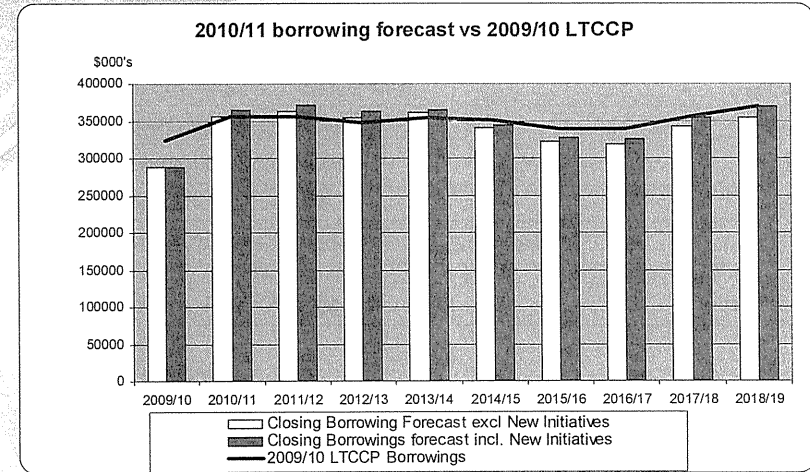
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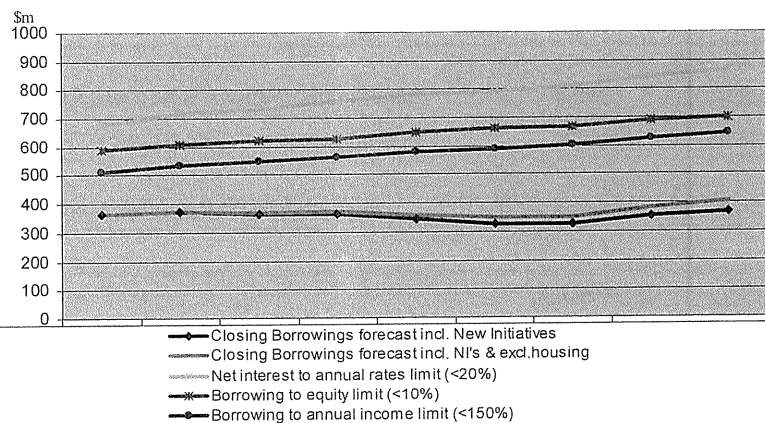
CAPEX and Loan Funding Programme 2010/11 Forecast

Annual Plan Budget / Funding Programme	16 Feb 2010 \$million
Total 2010/11 BAU Annual Plan CAPEX Budget	196.9m
New Initiatives	7.65m
Proposed 2010/11 CAPEX & Loan Funding Programme	204.6m
CAPEX & Loan Funding Programme (to meet \$20m cap)	200.5m
GAP to New Borrowings cap	4.1m

10 Year Borrowings



2010/11 Forecast Borrowings vs prudential limits



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Funding and Activity Review Working Party Key Recommendations

2 March 2010

Minor variances to the policy

Activity Component	Current Policy User/Other income:rates	Variance to Policy User/Other income:rates	Comment
7.2.5 Cycle network	15:85	10:90	Fixed NZTA income
2.2.1 Road open spaces	10:90	5:95	Fixed NZTA income
2.5.2 Waste minimisation, disposal and recycling management	90:0	100:0	Split the activity (10:90 User Rates Funded) into 2, 100% User Funded Recycling, Waste Minimisation and disposal
		0:100	100% rates funded Closed landfill aftercare
6.2.1 Building control and facilitation	65:35	60:40	Reduce the user funding from 65% to 60% due to cost and revenue implications from the current legislative compliance environment

Permitted non-compliance

Activity Component	Comment	Non Compliance
7.2.3 Passenger transport network	Income derived from NZTA funding only (3% gap)	3.0%
7.2.5 Cycle network	Income derived from NZTA funding only (1% gap)	1.0%
2.4.2 Sewage collection and disposal network	non-compliance may be temporary while testing is performed on closed Landfills trade waste discharge	1.0%
2.4.3 Sewage treatment	1% non compliance due to contracted cost increases	1.0%
4.3.1 Promoting & Hosting Cultural Festivals	A review of the structure of event funding will occur	2.0%
5.3.4 Recreation centres	Non-compliant as incurring ICSC costs but no revenue until the facility is operational (12.5% gap)	12.5%

Activities with fee increases

Activity Component	Comment	average fee change
2.5.2 Recycling, Waste minimisation, disposal	Rubbish bags and weighbridge landfill fees	5%
5.3.1 Swimming pools	pool fees (excluding swim programmes) and fitness centres	5%
5.3.2 Sports fields	All sports - to work towards each sport being compliant	10%
5.3.3 Synthetic turf sportsfields	Hockey fees + some other fee changes	5%
5.3.4 Recreation centres	To enable non-ICSC rec centre costs	4.20%
5.3.6 Marinas	Marina moorings and new fee for 'live-aboard'	2.75%
5.4.1 Burials and cremations	Variable	3.90%
5.4.3 Public health regulations (food/dogs)	Most fees excluding those set by legislation	5%
6.1.1 Urban Planning and Policy Development	Hourly rate changes (first change for 5 years)	16.90%
6.2.1 Building control and facilitation	Variable	variable
6.3.1 Development control and facilitation	Based on an hourly rate (\$5/hr increase)	3.80%
7.3.1 Car Parking	Person Parking, residents parking (Approved at SPC)	50%, 28%

Differential

As per the long-term plan the differential shift for 2010/11:
3.1:1 down from 3.45:1

Water Rating

Water rates increase of 2%
1% Cost increases, 1% lower 2009/10 consumption

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Variations / New Initiatives

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New initiatives

REF: 031/10PA

Enviroschools (a)

Climate change (b)

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New initiatives

Rugby World Cup sculpture (c)

Rugby World Cup village (d)

Newtown Park sportsfields (e)

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New initiatives

Waterloo quay re-phasing (f)

Driver advisory parking signs (g)

CBD street cleaning (h)

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New initiatives

Courtney Place public conveniences (i)

Wellington 2040 framework (j)

Movement Infrastructure Analysis (k)

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REF: 031/10PA

New initiatives

Heritage trail signage (l)

Community Centres funding (m)

Community facilities partnerships (n)

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New initiatives

Community facilities Jville hub (o)

Community facilities aquatics (p)

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New initiatives

Lyall Bay surf lifesaving club (q)

Indoor Community Sports Centre (r)

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New initiatives

Inbound bus shelters (s)

Fences and guard rails maintenance (t)

Strengthening the City to Sea bridge (u)

Repiling of Aro Valley Community Centre (v)

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New initiatives

REF: 031/10PA

New signage for dog areas (w)

Basin Reserve AMP (x)

St James Theatre Trust AMP (y)

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New initiatives

Adelaide Road Framework
Implementation (z)

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Presentation

- Recap Adelaide Road Framework
- Current work programme
- Challenges & alternative options
- Recommended option

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Current work programme

- Planning policy changes
 - Suburban Centres zoning (DPC 73)
 - Suburban Centres heritage area
- Amenity improvements
 - Drummond Street
 - John/Riddiford Street
- Adelaide Road – road widening

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Challenges

- Proposed road widening BCR < 1
- Level of NZTA subsidy available

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Alternative Options

- Option 1 – Continue with current programme
- Option 2 – Deliver transport benefits
- Option 3 – Revised programme of improvements

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Recommended Option

Option 3 recommended:

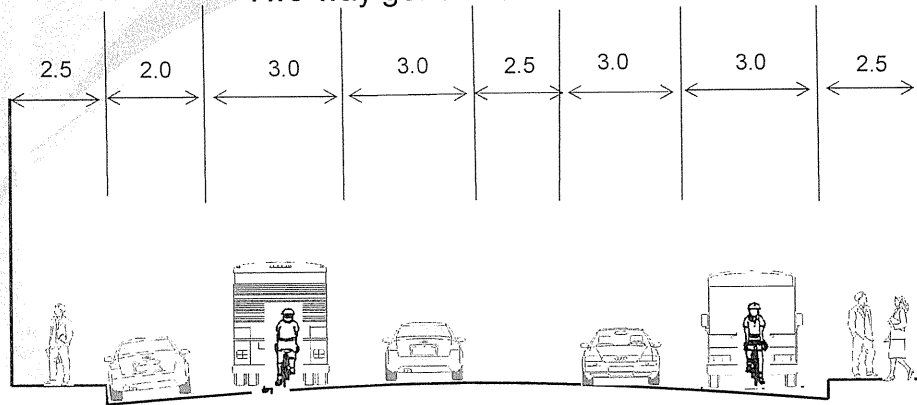
- A permanent bus/cycle lane in each direction
- A traffic lane in each direction
- The same footpath width as the current proposal
- Dedicated parking (but on the western side only)
- Pedestrian and other amenity improvements

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NZTA subsidy success – bus lane works,
John St.
2 March 2010

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Adelaide Road Option 3
 Modified cross section (21.5m)
 Parallel parking west side only
 Full time bus/cycle lane
 Two-way general traffic lanes



Consultation Plan

Consultation plan

- Hearings subcommittee
- Supplement last year's engagement
- Key messages
- Concurrent consultations:

Facilities Policy
 Climate change action plan
 Liquor bylaw
 Waterfront development plan.

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