

WELLINGTON CABLE CAR LTD

Report to the Wellington City Council LTP, Finance & Performance Committee

FY24 - First Quarter ending 30 September 2023

Highlights

- With challenging targets set for FY24, our key performance metrics still exceeded SOI targets with Q1 passenger numbers of 188,567 (17% above target) and fare revenue of \$636k (25% above target).
- Year to date revenue for 2024 is also significantly higher than same time last year (\$636k vs \$384k for FY23 Q1). Casual fares increased 79%, whilst commuter fares increased 41%.
- Our Annual Maintenance Shutdown (AMS) was successfully undertaken 14-20 August. Alongside our usual annual bogie change, inspections, tests and checks, we also completed key seismic resilience work in the Lambton Quay terminal where approximately 30 steel brackets were fitted to improve the seating of the reinforced concrete beams in the roof space.
- We fully embraced FIFA with decals on the cars, terminal decorations and tunnel lights, and received excellent coverage from the four international broadcasters we hosted at the Cable Car during the tournament.
- We welcomed our first ever Gateway students with two students undertaking a WCCL-curated 5-week programme.
- We successfully decommissioned Snapper services and have seen a positive response from locals transferring to WCCL multi trip and membership products. A 'locals' rate' is being offered as a transition tool to Snapper users who are caught out whereby they can pay the same \$3.75 fare at the ticket box for a single journey.
- We worked with the Council on a Matariki activation including special tunnel light artwork by David Hakaraia, a dedicated audio script, website updates, socials and EDM.
- Our Ekos Carbon Zero application was approved, and certification maintained.

Challenges

- In FY23's Q4 report we noted that we were investigating the applicability of the Passenger Ropeway Regulations to the Wellington Cable Car. In Q1 a letter was written to Worksafe, and we are still awaiting a response. Given that WCCL has a safety case approved by Waka Kotahi pursuant to the Railways Act, and that WCCL is actively seeking confirmation from WorkSafe on its status with respect to the Passenger Ropeway Regulations, our lawyers consider that the risk to both WCCL and its officers is low.
- We received the initial assessment of the seismic resilience of our three bridges and the cost estimates to remediate (circa \$6.7m). Progressing with detailed seismic assessment and detailed design will help us better understand the risks and opportunities to manage/reduce these. Our ideal position is to have a table of risks for each bridge element, like we do for our tunnels, and we can then clearly identify the highest risk elements to strengthen.
- Our annual audit highlighted a prior period error relating to Cable car spare parts where they have erroneously been classified as inventories instead of PPE despite having service lives of more than one reporting period. Certain cable car spare parts from the 2016 upgrade had also been added back into the inventory system at nil cost. Management have committed to fully investigating the capabilities of our Computerised Maintenance System (Fiix) to more accurately track the values of inventory and PPE, the residual life of parts when used, and how Fiix and Xero work together to ensure accurate reporting.

- The auditors also highlighted that WCCL and WCC do not have a current lease agreement for the land leased and noted it as a ‘necessary finding’ to rectify.
- The results of our asbestos survey noted areas of low-risk asbestos in the Lambton Terminal. Accessible areas were rectified during the AMS and an Asbestos Management Plan is now in place.

Performance Measures (KPIs) in the SOI 2024/25

QUARTERLY MEASURES

MEASURE	ACTUAL (FY24 Q1)	SOI TARGET (FY24 Q1)	ACTUAL (YTD)	SOI TARGET (YTD)	TRACKING
Tickets sold	188,567	161,000	188,567	161,000	On track
Fare revenue	\$636,365	\$507,300	\$636,365	\$507,300	On track

ANNUAL MEASURES

MEASURE	ACTUAL (YTD)	SOI TARGET (YTD)	TRACKING
Achieve Carbon Zero accreditation	Achieved	Achieve	On track
Waste minimisation reduction		5% YOY	On track
Rail Safety Licence		Maintain	On track
Active management of Health and Safety		Maintain	On track
NPS equal to or better than CXI benchmark		Maintain	On track
Google rating		4.2 or higher	On track
TripAdvisor rating		4.2 or higher	On track
Cable Car reliability		>99%	On track

Financial Performance Summary

	Year to Date (\$000s)			Full Year (\$000s)		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue	710	553	157	710	553	157
Expenditure	794	875	(81)	794	875	(81)
Net Surplus/Deficit before Grants	(84)	(322)	238	(84)	(322)	238
WCC Grants	-	-	-	-	-	-
Recognition of LTP Grant utilised	121	125	(4)	121	125	(4)
Net Surplus/Deficit after Grants	37	(197)	(234)	37	(197)	(234)

Coming Up

- In October we will complete phase two of the Feather Friendly® installation at the Kelburn Terminal making us the largest bird strike prevention project/building in the country.
- As we are a small team with limited resources, we are drafting a digital content strategy to help plan, create and share content as deliberately, effectively, and efficiently as possible. The work will define goals, objectives, audiences, content buckets, channels, and tactics, as well as formalise key messages and the organisation's tone of voice.

- We are exploring ways to assist our CCO partners to reach our Cable Car audience including offering free advertising areas in our Kelburn Terminal.
- We are reviewing and developing a future plan for accessibility at the Cable Car including mobility, visual and auditory. This includes working alongside Be (previously Be Accessible) and WCC
- Our inaugural 'Dogs of the Cable Car' 2024 Calendar will go on sale with all proceeds to the Blind Low Vision Guide Dogs NZ programme.