

APPENDIX 2: QUARTERLY REPORT

1 July – 30 September 2013

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1. GOVERNANCE

Pārongo ā-Tāone

We want to involve people and maintain their confidence in our decision-making.

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

WHAT WE DO

- City governance and engagement
- Civic information
- City archives
- Māori and mana whenua partnerships.

HIGHLIGHTS OF THIS QUARTER

- Handled 83,099 inbound customers interactions (phone, email and text fix-it) at the Contact Centre and logged 22,717 service requests
- Established a specialist team in the Contact Centre to manage building compliance and consents calls on behalf of BCC
- Sold record numbers of emergency stock (water bottles, grab and go bags and 200 litre water tanks) through the Service Centre following the July and August earthquakes
- Prepared for the 2013 Local Body Elections
- Adopted the 2012-13 Annual Report
- Adopted a new Engagement Policy

SIGNIFICANT VARIANCES TO PERFORMANCE¹:

SERVICE DELIVERY

Measure	Actual	Target	
Council, committee and subcommittee reports that are made available to the public 5 days prior to the meeting (%)	56%	80%	This target was not met because a number of reports were brought forward to be dealt with before the end of the triennium.

NET OPERATING EXPENDITURE

Description	YTD		Full Year		
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
1.1 Governance, Information & Engagement	3,755	4,247	492	16,120	16,359
1.2 Maori Engagement (Mana Whenua)	167	180	13	225	225
TOTAL	3,922	4,427	505	16,345	16,584

Under budget due to timing of expenditure on the 2013 Elections and the Smart Energy work programme.

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

- Began arboricultural contract work for the Porirua City Council
- Ran the Spring Festival & Otari Open Day
- Continued with the clean up of tree areas and coastal areas after the June Storm
- Undertook planning work for the repiling of the Half Way House
- Completed spring renovations on high profile lawns
- Completed our community planting and reserve revegetation programme
- Provided funding (\$21,500) for projects that included support for:
 - Conscious Consumers to further develop their hospitality programme,
 - Sustainable Coastlines to stage educational road shows and clean-ups, and
 - Jay Street and Churton Park School to develop community gardens.
- Completed firefighting water main upgrades for 2013/14
- Undertook pump station renewals at Island Bay, Kent Terrace, Ngauranga, Tawa, Oriental Bay and Houghton Bay
- Davis Street culvert strengthening – underway and is scheduled to be complete prior to March 2013
- Continued stormwater network renewals in Mt Cook and Wadestown
- Officially opened the Zoo's Australia Precinct, ‘Neighbours’, on September 25.
- Won the Sustainable 60 Marketplace award on 25 September for excellence in sustainable initiatives at the Zoo

SIGNIFICANT VARIANCES TO PERFORMANCE:

SERVICE DELIVERY

Measure	Actual	Target	Variance Explanation
Kerbside recycling collected (tonnes)	2,949	3,292	This result was not met because some kerbside recycling material was not suitable for collection. We reminded these homeowners of what to include/exclude by leaving a notice with their recycling bin.
Bathing beaches (%) - compliance with Ministry of Environment guidelines (green status)	76%	95%	Rain volumes over 5mm impact bacterial levels recorded via sampling. Significant rain levels (12.6mm and 26.0mm) were experienced on two of the sampling days in the quarter, impacting the overall result.
Freshwater - sites (%) within acceptable faecal coliform counts	74%	95%	This result is due to private and public network faults, and significant rain events which influence bacteria levels. Faults have been identified and are being addressed to support a return to target performance in the next quarter.

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NET OPERATING EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's		\$000's	\$000's
2.1 Gardens, Beaches and Open Space	6,725	6,869	144	26,914	27,255
2.2 Waste Reduction & Energy Conservation	(354)	425	778	84	450
2.3 Water	9,320	9,696	376	38,086	38,700
2.4 Wastewater	9,566	9,873	308	39,062	39,268
2.5 Stormwater	4,445	4,566	120	17,553	18,090
2.6 Conservation Attraction	2,367	2,342	(25)	5,754	5,779
TOTAL	32,070	33,771	1,701	127,454	129,542
<p>Variance Explanation: Higher than budgeted revenue has been received as a result of higher volumes through the landfill and increased level of rubbish bag sales. Expenditure is under budget due to:</p> <ul style="list-style-type: none"> • Lower contract costs for bulk water supply, sump cleaning, rubbish collection and landfill operations. • CCTV monitoring programme for waste water and storm water pipes being behind schedule. 					

CAPITAL EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's		\$000's	\$000's
2.1 Gardens, Beaches and Open Space	455	637	182	3,303	3,303
2.2 Waste Reduction & Energy Conservation	62	125	63	2,007	2,007
2.3 Water	1,975	2,188	213	12,578	12,578
2.4 Wastewater	730	1,028	298	8,242	8,242
2.5 Stormwater	1,160	730	(430)	5,220	5,220
2.6 Conservation Attraction	36	1,026	990	3,070	3,070
TOTAL	4,417	5,732	1,315	34,420	34,420
<p>Variance Explanation: Under budget mainly due to timing changes in the Zoo upgrade programme and minor works programme at the Botanic Gardens.</p>					

3. ECONOMIC DEVELOPMENT

Mauri mahi, mauri ora; mauri noho, mauri mate

“Industry begets prosperity (security); idleness begets poverty (insecurity)”

WHAT WE DO

- City promotions and business support

HIGHLIGHTS OF THIS QUARTER

- Assisted the development of a formal Business Improvement District request.
- Supported Bledisloe Cup and the World of Wearable Arts awards
- Positively Wellington Venues (PWV):
 - hosted 111 conference and events, and 65 performances and exhibitions.
 - developed a new marketing development strategy to align with Destination Wellington and refocus their efforts in the Sales and Marketing space

SIGNIFICANT VARIANCES IN PERFORMANCE:

NET OPERATING EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's		\$000's	\$000's
3.1 City Promo & Business Support	5,976	6,125	149	19,314	18,894
TOTAL	5,976	6,125	149	19,314	18,894
Variance Explanation: Under budget due to favourable interest costs and lower depreciation for venue assets.					

CAPITAL EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's		\$000's	\$000's
3.1 City Promo & Business Support	1,382	1,592	210	4,295	4,295
TOTAL	1,382	1,592	210	4,295	4,295
Variance Explanation: Under budget due to timing changes in venues capital programme.					

4. CULTURAL WELLBEING

“He Kuru te toiora ahurea tangata”

“A person’s cultural wellbeing is precious; the value of a human being and the contribution each makes to the wellbeing of the group.”

WHAT WE DO

- Arts and cultural activities

HIGHLIGHTS OF THIS QUARTER

- Facilitated a mural project in Mt Cook, in partnership with local residents and city communities. Painting began 18 November
- Paint Up, school mural projects, began in July at Newtown and Berhampore.
- WARE residency (a WCC Asia NZ Foundation partnership) commenced:
 - Wellington-based artist John Lake was selected to go to Beijing for 3 months, and
 - Internationally-renowned, Shanghai-based video artist Li Xiaofei visited Wellington for three months from September.
- Public Art Fund: launched ‘Naïve Melody’ by Nathan Pohio—a new public artwork at the Airport’s International Arrivals Area—in partnership with Wellington International Airport
- Opened a new Courtenay Place Park light box exhibition ‘Holland Street’ by Ann Shelton and Sarah Caylor in August.
- Opened the ‘Digital Futures’ exhibition at the Cobblestone Park light boxes in September, featuring Victoria University students’ artwork. These light boxes are a partnership between the Council and Victoria University.
- Delivered 26th Artsplash Children Arts Festival
- Held four exhibitions at Toi Poneke (Gabby O’connor, Perry Scott, Li Xiaofei (WARE artist) and Moniek Schrijer(Whitireia NZ Artist in Resident))
- Developed an exhibition based on Shaun Hendy’s book *Get off the Grass* (Shaun Hendy won the Prime Minister’s Science Media Communication prize last year.)
- Toi Poneke provided space to Capital E during the earthquakes to keep its holiday programmes running

SIGNIFICANT VARIANCES IN PERFORMANCE:

SERVICE DELIVERY

Measure	Actual	Target	
Total visits to museums and galleries (including Carter Observatory)	104,134	132,181	Visitation numbers have been impacted by the closure of the Civic Square site, and disruption from the Cable Car redevelopment project. Visits are expected to increase as normal access to these facilities is restored.

NET OPERATING EXPENDITURE

Description	YTD		Full Year		
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
4.1 Galleries and Museums	5,743	6,509	766	16,339	16,349
TOTAL	5,743	6,509	766	16,339	16,349
Variance Explanation: Under budget due to the timing of the payment of the Te Papa grant and the cultural grants pool allocations.					

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CAPITAL EXPENDITURE

Description	YTD		Full Year		
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
4.1 Galleries and Museums	0	6	6	26	26
TOTAL	0	6	6	26	26
Variance Explanation:					

5. SOCIAL AND RECREATION

Whāia ngā mahi a te rēhia

“Engage in the pursuit of pleasure”

WHAT WE DO

- Recreation promotion and support
- Community support

HIGHLIGHTS OF THIS QUARTER

- Arlington Project – Councillors reviewed the Indicative Business Case and gave their approval for development of the Detailed Business Case
- Completed the Regional Sportsfield Strategy
- Hosted the national short course championships at Wellington Regional Aquatic Centre
- Funded 28 organisations for projects that included support for:
 - Chalkle to develop smart technology;
 - the Tu Tangta polyfest; and
 - a number of programmes that support volunteers.
- Adopted the Alcohol Management Strategy and Provisional Local Alcohol Policy
- Responded to local emergencies and provided an integrated, planned emergency welfare response to assist affected residents
- Installed a series of water tanks across the city (Linden, Grenada, Highbury, Miramar) for use by the community in an emergency
- Hosted community safety day in partnership with Community Police, WREMO, the Fire Service and other community organisations.
- Developed CCTV hubs in partnership with the police, inner city residents and community patrols
- Celebrated Khandallah library’s 60th birthday on 31 August with the local community
- Launched a new series called History for lunch (mainly focusing on local history) at the Central library

SIGNIFICANT VARIANCES IN PERFORMANCE:

SERVICE DELIVERY

Measure	Actual	Target	
Occupancy rates (%) of Wellington City Council Community Centres and Halls	32%	60%	Due to a change to the calculation methodology, we do not expect to be able to meet this target this year. Officers will recommend, as part of the 2014/15 Annual Plan process, that the target is changed to 45% to reflect the new methodology.
Visits to facilities: ASB centre (peak)	117,880	149,540	ASB Peak attendance was down due to lower than anticipated bookings from sports groups (netball, basketball, etc). Staff have now developed new programmes that will attract additional bookings to the ASB centre. In addition, total visits to the ASB centre was on-track for the period as off-peak attendance was ahead of target.

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NET OPERATING EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
5.1 Recreation Promotion & Support	5,963	6,432	469	25,798	25,522
5.2 Community Support	2,530	1,253	(1,277)	(1,009)	(587)
5.3 Public Health and Safety	2,224	1,896	(328)	8,108	7,729
OPERATING EXPENDITURE TOTAL	10,717	9,582	(1,136)	32,897	32,664
Variance Explanation: Over budget due to timing of grant income recognition relating to the Housing Upgrade project. Also the allocation of Social and Recreation grants are ahead of budget year to date.					

CAPITAL EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
5.1 Recreation Promotion & Support	896	1,356	459	8,767	11,267
5.2 Community Support	6,993	10,127	3,134	39,384	39,384
5.3 Public Health and Safety	92	108	16	1,117	1,117
OPERATING EXPENDITURE TOTAL	7,982	11,591	3,609	49,268	51,768
Variance Explanation: Under budget mainly due to timing changes on the Housing Upgrade project. Also the Keith Spry Pool redevelopment is behind budget and we are now expecting to complete this project in the next financial year.					

6. URBAN DEVELOPMENT

“Ka mate kāinga tahi, ka ora kainga rua”

We want to involve people and maintain their confidence in our decision-making.

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

WHAT WE DO

- Built heritage development
- Urban planning and policy development
- Public space and centres development
- Waterfront development

HIGHLIGHTS OF THIS QUARTER

- Completed Environment Court resource consent hearing for Harcourts building (ruling was subsequently released, affirming the council’s original decision)
- Completed District Plan Curtis Street—Plan Change 77—hearing (awaiting decision)
- Discussed technical solutions for lower Cuba Street with the Accessibility Advisory Group
- Completed feasibility studies and concept design for the Greening of Taranaki Street
- Commenced construction for works in Opera House Lane
- Commenced planning for deconstruction of Civic Square Portico as part of the Earthquake Strengthening Programme

SIGNIFICANT VARIANCES IN PERFORMANCE:

SERVICE DELIVERY

Measure	Actual	Target	
Initial assessments of earthquake-prone buildings completed	44	128	The recent Wellington Earthquakes have diverted engineering resource temporarily. We expect to make up the current shortfall over the next two months.

NET OPERATING EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
6.1 Urban Planning and Policy	1,555	1,715	160	7,155	7,254
6.2 Building & Development Control	2,840	2,140	(700)	8,938	8,910
TOTAL	4,395	3,855	(540)	16,093	16,163
Variance Explanation: Over budget due to unbudgeted costs related to securing a safe environment and the demolition of the lift shaft in Luke's Lane post the earthquakes in July and August. Revenue for building consents and inspections is also behind budget.					

CAPITAL EXPENDITURE

Description	YTD		Var	Full Year	
	Act	Bud		Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
6.1 Urban Planning and Policy	5,058	4,599	(459)	15,327	15,127
6.2 Building & Development Control	843	2,382	1,540	13,856	13,856
TOTAL	5,901	6,982	1,081	29,183	28,983
Variance Explanation: Under budget mainly due to the timing of expenditure on the Earthquake strengthening project.					

7. TRANSPORT

“He ihu waka, he ihu whenua”
 “A canoe bow, a headland”

WHAT WE DO

- Transport
- Parking

HIGHLIGHTS OF THIS QUARTER

- Completed seismic risk assessment of Haitaitai Bus Tunnel
- Submitted a joint funding application for Johnsonville Roading Improvements to NZTA's Planning and Investment Group for a package of transport investments in the Johnsonville transport network. Total cost of project is \$10.1M with funding assistance sought at 54% (\$5.45M) for works comprising:
 - Additional intersection capacity;
 - Traffic management improvements including widening the SH1 Johnsonville off-ramp; Upgraded bus waiting facilities;
 - Improved walking and cycling facilities.
- Consulted on the Public Transport Spine Study
- Released the Request for Proposal for parking enforcement and back office ticket processing was released on 16 September and closed on 21 October.
- Installed EFTPOS at the Clifton car park facility as a method of payment, which is proving to be a popular option.

SIGNIFICANT VARIANCES IN PERFORMANCE:

SERVICE DELIVERY

Measure	Actual	Target	
Quarry - legislative compliance	Not-Achieved	Achieved	Compliance was not achieved due to a breach with resource consent conditions for the quality of water discharged to the stream. This is considered a minor issue by GWRC and no formal enforcement action has been taken. Work is being done to remedy the issue and full compliance is expected in the near-term.
Cable car passenger numbers	172,141	224,100	Several factors have influenced the traffic including the Kelburn terminal rebuild, and the earthquakes in July and August. Passenger numbers are expected to return to budgeted levels once the terminal rebuild is completed.
Vehicle Network - Requests for service response rate - (non-urgent within 15 days)	85%	100%	Delays as a result of the June storm and July earthquake as resources were directed to a higher volume urgent response work. We expect performance to return to normal, subject to the occurrence of significant, and unanticipated, weather related events.
Vehicle Network - Requests for service response rate - (urgent within 2 hours)	80%	100%	Delays as a result of the June storm and July earthquake as resources were directed to a higher volume urgent response work. We expect performance to return to normal, subject to the occurrence of significant, and unanticipated, weather related events.

NET OPERATING EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
7.1 Transport	8,848	9,556	708	36,764	37,057
7.2 Parking	(3,935)	(4,067)	(131)	(14,431)	(15,638)
TOTAL	4,912	5,489	577	22,333	21,419
Variance Explanation: Over budget due to the transport capital programme being behind budget due to delays caused by the effects of recent storm and earthquake events, as well as the transition to new roading corridor contracts. The impact of this has been a lower level of NZTA subsidy recognition. Timing differences in other budgeted expenditure have also contributed to this unfavourable variance.					

CAPITAL EXPENDITURE

Description	YTD			Full Year	
	Act	Bud	Var	Forecast	Bud
	\$000's	\$000's	\$000's	\$000's	\$000's
7.1 Transport	2,915	5,266	2,351	32,808	33,391
7.2 Parking	0	0	0	1	1
TOTAL	2,915	5,266	2,351	32,808	33,391
Variance Explanation: Transport capital programme is behind budget due to delays caused by the effects of recent storm and earthquake events, as well as the transition to new roading corridor contracts.					