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ORDINARY MEETING  
OF  
WELLINGTON CITY COUNCIL  
MINUTES

Time: 9:30am  
Date: Thursday, 28 October 2021  
Venue: Virtual meeting

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**PRESENT**

Mayor Foster (Chair)  
Deputy Mayor Free (Deputy Chair)  
Councillor Calvert  
Councillor Condie  
Councillor Day  
Councillor Fitzsimons  
Councillor Foon  
Councillor Matthews  
Councillor O'Neill  
Councillor Pannett  
Councillor Paul  
Councillor Rush  
Councillor Woolf  
Councillor Young



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**28 OCTOBER 2021**

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## 1 Meeting Conduct

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### 1.1 Karakia

The Chairperson opened the meeting at 9:32am with the following karakia.

<b>Whakataka te hau ki te uru,</b>	Cease oh winds of the west
<b>Whakataka te hau ki te tonga.</b>	and of the south
<b>Kia mākinakina ki uta,</b>	Let the bracing breezes flow,
<b>Kia mātaratara ki tai.</b>	over the land and the sea.
<b>E hī ake ana te atākura.</b>	Let the red-tipped dawn come
<b>He tio, he huka, he hauhū.</b>	with a sharpened edge, a touch of frost,
<b>Tihei Mauri Ora!</b>	a promise of a glorious day

### 1.2 Apologies

**Moved Mayor Foster, seconded Councillor Fitzsimons, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

1. Accept the apologies received from Mayor Foster and Councillor Teri O'Neill for early departure.

Carried

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

**Absent**

Deputy Mayor Free (Deputy Chair)

Majority Vote: 13:0

Carried

### 1.3 Announcements by the Mayor

The Mayor made no announcements.

### 1.4 Conflict of Interest Declarations

No conflicts of interest were declared.

## 1. 5 Confirmation of Minutes

### **Moved Mayor Foster, seconded Councillor Woolf, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

1. Approves the minutes of the Ordinary Te Kaunihera o Pōneke | Council Meeting held on 12 October 2021, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

A division was required under Standing Order 27.6(d), voting on which was as follows:

#### **For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

## 1. 6 Items not on the Agenda

There were no items not on the agenda.

## 1. 7 Public Participation

### **1.7.1 We are Newtown**

Representing We Are Newtown, James Fraser spoke to item 2.3 Representation Review Final Proposal.

**Secretarial note:** In accordance with standing order 19.1, the chairperson accorded precedence to some items of business and announced that the agenda would be considered in the following order:

- |      |     |   |
|------|-----|---|
| Item | 2.1 | Tākina Operating Arrangements   |
| Item | 2.2 | Vacancy in Council  |
| Item | 2.3 | Representation Review Final Proposal  |
| Item | 2.4 | Actions Tracking  |
| Item | 2.5 | Forward Programme   |
| Item | 3.1 | Report of the Pūroro Hātepe   Regulatory Processes Committee Meeting of 13 October 2021: Proposed Road Stopping - Land Adjoining 40 Avon Street, Island Bay |
| Item | 3.2 | Report of the Pūroro Waihangā   Infrastructure Committee Meeting of 14 October 2021: Wastewater Laterals Policy (2021)                                      |
| Item | 4.1 | Tākina Management Agreement Commercial Terms  |
| Item | 4.2 | Local Government Funding Agency Annual General Meeting Voting   |
| Item | 4.3 | Public Excluded Report of the Pūroro Waihangā   Infrastructure Committee Meeting of 14 October 2021: Proposed Land Acquisition                              |
| Item | 3.3 | Report of Pūroro Tāhua   Finance and Performance Committee of 21 October 2021: Draft 2020/21 Annual Report and Audit Process                                |

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## 2. General Business

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### 2.1 Tākina Operating Arrangements

#### **Moved Mayor Foster, seconded Councillor Foon, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information
- 2) Agree to confirm the operating arrangements for Tākina as set out in this report subject to agreement to the commercial terms outlined in the public excluded paper “Tākina Management Agreement Commercial Terms”
- 3) Agree to delegate authority to the Chief Executive to execute the agreements necessary to give effect to Recommendation 2. above.
- 4) Note Officers will report back to Council with recommendations on establishing an appropriate approval process to assess and approve exhibitions to be held at Tākina.
- 5) **Agree for officers to work with Te Papa Tongarewa on the implementation of Living Wage for staff working within Tākina Events, and to bring this plan and related costs back to Council prior to the opening of Tākina.**

Carried

**Secretarial note:** Mayor Foster moved the original motion with amendments supported by officers, as marked in red.

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

## 2.2 Vacancy in Council

### **Moved Mayor Foster, seconded Deputy Mayor Free, the following motion**

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) ~~Agree to appoint NAME to fill the vacancy in Council, OR~~  
Agree to not fill the vacancy in Council
- 3) Appoint Councillor Condie to the Tawa Community Board.
- 4) Appoint **Councillor Woolf** as chairperson, **Councillor O'Neill** as **Deputy Chairperson**, and **Councillor Pannett** as **member** of the Pūroro Hātepe | Regulatory Processes Committee.

*If Council chooses to appoint somebody*

- 5) ~~Agree that the criteria used to select NAME was that they can contribute to the advancement of Wellington City.~~

*If council chooses not to appoint somebody*

- 6) Recommend the below remuneration proposal to the Remuneration Authority:

Position	Proposed remuneration (per annum)	Total (per annum)
Deputy mayor	\$140,056	\$140,056
5 x chair of committee of the whole	\$121,554	\$607,770
7 x councillors	\$119,618	\$837,326
Total (pool)		\$1,585,152

### **Moved Councillor Rush, seconded Councillor Calvert, the following amendment**

Resolved

- 2A) Agree to appoint John Apanowicz to fill the vacancy at Council.

Lost

### **Attachments**

- 1 2019 Local Election Results for Takapū/Northern Ward - tabled by Councillor Rush

A division was required under Standing Order 27.6(d), voting on which was as follows:

### **For:**

Councillor Calvert, Councillor Rush, Councillor Woolf

### **Against:**

Mayor Foster, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Young

Majority Vote: 3:11

Lost



**Moved Councillor Pannett, seconded Councillor Foon, the following amendment**

Resolved

- 6 (i) Note that Councillors may pay back the equivalent amount of the additional remuneration to the Council or some other charity.

Lost

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Pannett

**Against:**

Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Matthews, Councillor O'Neill, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 4:10

Lost

**Moved Mayor Foster, seconded Deputy Mayor Free, the following substantive motion**

Resolved

That Te Kaunihera o Pōneke | Council:

- 1) Receive the information.
- 2) ~~Agree to appoint NAME to fill the vacancy in Council, OR~~  
Agree to not fill the vacancy in Council
- 3) Appoint Councillor Condie to the Tawa Community Board.
- 4) Appoint **Councillor Woolf** as chairperson, **Councillor O'Neill** as Deputy Chairperson, and **Councillor Pannett as member** of the Pūroro Hātepe | Regulatory Processes Committee.  
*If Council chooses to appoint somebody*
- 5) ~~Agree that the criteria used to select NAME was that they can contribute to the advancement of Wellington City.~~  
*If council chooses not to appoint somebody*
- 6) Recommend the below remuneration proposal to the Remuneration Authority:

Position	Proposed remuneration (per annum)	Total (per annum)
Deputy mayor	\$140,056	\$140,056
5 x chair of committee of the whole	\$121,554	\$607,770
7 x councillors	\$119,618	\$837,326
Total (pool)		\$1,585,152

Carried unanimously

**Secretarial note:** Mayor Foster moved the original motion with amendments as marked in red.

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A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

The meeting adjourned at 11:03am and reconvened at 11:15am with all members present.

## 2.3 Representation Review Final Proposal

### **Moved Mayor Foster, seconded Councillor Day, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

1. Receive the information
2. Adopt, in accordance with sections 19H and 19J and clauses 1 and 2 of schedule 1A of the Local Electoral Act 2001, a final proposal for Council representation with:
  - a. Fifteen total councillors (other than the mayor).
  - b. Fifteen councillors being elected by ward.
    - i. One councillor being elected from a Māori ward.
    - ii. Fourteen councillors being elected from general wards.
  - c. One Māori ward
    - i. Te Whanganui-a-Tara Ward, electing one councillor, comprising all of Wellington City.
  - d. Five general wards:
    - i. Takapū Northern Ward, electing three councillors, comprising the suburbs of Ōhāriu, Tawa, Takapu Valley, Grenada North, Glenside, Grenada Village, Churton Park, Horokiwi, Paparangi, Woodridge, Johnsonville, and Newlands.
    - ii. Wharangi Onslow-Western Ward, electing three members, comprising the suburbs of Mākara Beach, Mākara, Ngaio, Kaiwharawhara, Crofton Downs, Wadestown, Northland, Broadmeadows, Ngauranga, Khandallah, and Karori.
    - iii. Pukehīnau Lambton Ward, electing three members, comprising the suburbs of Thorndon, Pipitea, Wellington Central, Te Aro, Oriental Bay, Kelburn, Highbury, Aro Valley, Mount Cook, and Mount Victoria.
    - iv. Motukairangi Eastern Ward, electing three members, comprising the suburbs of Roseneath, Hataitai, Kilbirnie, Lyall Bay, Rongotai, Miramar, Maupuia, Karaka Bays, Seatoun, Strathmore Park, Houghton Bay, Melrose, and Moa Point.
    - v. Paekawakawa Southern Ward, electing two members, comprising the suburbs of Brooklyn, Owhiro Bay, Island Bay, Southgate, Berhampore, Newtown, Vogelstown, Mornington, and Kingston.
3. Agree to include in the final proposal community board representation as follows:
  - a. Tawa Community Board, with eight members total, six members elected by the whole community and two appointed members, comprising the suburbs of Grenada North, Takapu Valley, and Tawa.
  - b. Mākara/Ōhāriu Community Board, with six members total, all elected by the whole community, comprising the suburbs of Mākara, Mākara Beach, and Ōhāriu.
  - c. No alterations to the boundaries of either community.
4. Agree that the ground on which the final proposal is not compliant with section 19V(2) of the Local Electoral Act 2001 is that compliance with subsection (2) would limit effective representation of communities of interest by dividing a community of interest between wards.
5. Agree to the proposed “reasons for any rejection of submissions” as outlined in the report.

6. Agree to recommend to the incoming Council elected in 2022 that another representation review be conducted in 2024.

Carried unanimously

**Secretarial note:** Mayor Foster moved the original motion with amendments supported by officers, as marked in red.

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

## 2.4 Actions Tracking

### **Moved Mayor Foster, seconded Councillor Condie, the following motion**

Resolved

That the Te Kaunihera o Pōneke | Council:

1. Receive the information.

Carried unanimously

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

## 2.5 Forward Programme

### **Moved Mayor Foster, seconded Councillor Matthews, the following motion**

Resolved

That the Te Kaunihera o Pōneke | Council:

1. Receive the information.

Carried

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

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### 3. Committee Reports

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#### 3.1 **Report of the Pūroro Hātepe | Regulatory Processes Committee Meeting** of 13 October 2021 **PROPOSED ROAD STOPPING - LAND ADJOINING 40 AVON STREET, ISLAND BAY**

**Moved Councillor Woolf, seconded Councillor O'Neill, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

- 1) Declare the approximately 315m<sup>2</sup> (subject to survey) of unformed legal road land in Avon Street (the Land), adjoining 40 Avon Street (Lot 1 DP 14461, held on ROT WN20D/17), is not required for a public work and is surplus to Council's operational requirements.
- 2) Agree to dispose of the Land.
- 3) Delegate to the Chief Executive Officer the power to conclude all matters in relations to the road stopping and disposal of the Land, including all legislative matters, issuing relevant public notices, declaring the road stopped, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.

Carried

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

3.2 Report of **the Pūroro Waihanga | Infrastructure Committee Meeting of 14 October 2021**  
**WASTEWATER LATERALS POLICY (2021)**

**Moved Councillor Rush, seconded Councillor Pannett, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council :

1. Declare, pursuant to the Local Government Act 1974 section 462 and the Long-term Plan 2021-31, that the portion of wastewater laterals in the road, between a property boundary and a wastewater main, as specified in the proposed Wellington City Council Wastewater Laterals Policy (2021), are public drains owned by the Council.

Carried

A division was required under Standing Order 27.6(d), voting on which was as follows:

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

4. PUBLIC EXCLUDED

**MOVED MAYOR FOSTER, SECONDED DEPUTY MAYOR FREE, THE FOLLOWING MOTION**

RESOLVED

THAT THE TE KAUNIHERA O PŌNEKE | COUNCIL:

1. PURSUANT TO THE PROVISIONS OF THE LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987, EXCLUDE THE PUBLIC FROM THE FOLLOWING PART OF THE PROCEEDINGS OF THIS MEETING NAMELY:

GENERAL SUBJECT OF THE MATTER TO BE CONSIDERED	REASONS FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
4.1 TĀKINA MANAGEMENT AGREEMENT COMMERCIAL TERMS	7(2)(B)(II) THE WITHHOLDING OF THE INFORMATION IS NECESSARY TO PROTECT INFORMATION WHERE THE MAKING AVAILABLE OF THE INFORMATION WOULD BE LIKELY UNREASONABLY TO PREJUDICE THE COMMERCIAL POSITION OF THE PERSON WHO SUPPLIED OR WHO IS THE SUBJECT OF THE INFORMATION.	S48(1)(A) THAT THE PUBLIC CONDUCT OF THIS ITEM WOULD BE LIKELY TO RESULT IN THE DISCLOSURE OF INFORMATION FOR WHICH GOOD REASON FOR WITHHOLDING WOULD EXIST UNDER SECTION 7.
	7(2)(H) THE WITHHOLDING OF THE INFORMATION IS NECESSARY TO ENABLE THE LOCAL AUTHORITY TO CARRY OUT, WITHOUT PREJUDICE OR DISADVANTAGE, COMMERCIAL ACTIVITIES.	
4.2 LOCAL GOVERNMENT FUNDING AGENCY ANNUAL GENERAL MEETING VOTING	7(2)(A) THE WITHHOLDING OF THE INFORMATION IS NECESSARY TO PROTECT THE PRIVACY OF NATURAL PERSONS, INCLUDING THAT OF A DECEASED PERSON.	S48(1)(A) THAT THE PUBLIC CONDUCT OF THIS ITEM WOULD BE LIKELY TO RESULT IN THE DISCLOSURE OF INFORMATION FOR WHICH GOOD REASON FOR WITHHOLDING WOULD



4.3 PUBLIC EXCLUDED  
**REPORT OF THE PŪRORO**  
WAIHANGA |  
INFRASTRUCTURE  
COMMITTEE MEETING OF  
14 OCTOBER 2021

SECTION S48(1)(A)

THAT THE PUBLIC CONDUCT  
OF THIS ITEM WOULD BE  
LIKELY TO RESULT IN THE  
DISCLOSURE OF INFORMATION  
FOR WHICH GOOD REASON  
FOR WITHHOLDING WOULD  
EXIST UNDER SECTION 7.

EXIST UNDER SECTION 7.

SECTION 7(2)(I)

THE WITHHOLDING OF THE  
INFORMATION IS NECESSARY  
TO ENABLE THE LOCAL  
AUTHORITY TO CARRY ON,  
WITHOUT PREJUDICE OR  
DISADVANTAGE,  
NEGOTIATIONS (INCLUDING  
COMMERCIAL AND INDUSTRIAL  
NEGOTIATIONS).

CARRIED

A DIVISION WAS REQUIRED UNDER STANDING ORDER 27.6(D). VOTING WAS TAKEN  
PART BY PART, DIVISIONS ON WHICH WERE AS FOLLOWS:

ITEM 4.2:

**FOR:**

MAYOR FOSTER, COUNCILLOR CALVERT, COUNCILLOR CONDIE, COUNCILLOR DAY,  
COUNCILLOR FITZSIMONS, COUNCILLOR FOON, DEPUTY MAYOR FREE (DEPUTY  
CHAIR), COUNCILLOR MATTHEWS, COUNCILLOR O'NEILL, COUNCILLOR PAUL,  
COUNCILLOR RUSH, COUNCILLOR WOOLF, COUNCILLOR YOUNG

**AGAINST:**

COUNCILLOR PANNETT

MAJORITY VOTE: 13:1

CARRIED

ITEMS 4.1 AND 4.3:

**FOR:**

MAYOR FOSTER, COUNCILLOR CALVERT, COUNCILLOR CONDIE, COUNCILLOR DAY,  
COUNCILLOR FITZSIMONS, COUNCILLOR FOON, DEPUTY MAYOR FREE (DEPUTY  
CHAIR), COUNCILLOR MATTHEWS, COUNCILLOR O'NEILL, COUNCILLOR PANNETT,  
COUNCILLOR PAUL, COUNCILLOR RUSH, COUNCILLOR WOOLF, COUNCILLOR  
YOUNG

MAJORITY VOTE: 14:0

CARRIED

The meeting went into public-excluded session at 11:44pm.  
The meeting returned from public-excluded session at 12:10pm.

Meeting duration and adjournment

**Moved Mayor Foster, seconded Deputy Mayor Free, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

1. Continue the meeting beyond the six hours limit as per standing order 11.7.
2. Adjourn the meeting until 3:30pm.

Carried

A division was required under Standing Order 27.6(d).

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf, Councillor Young

Majority Vote: 14:0

Carried

The meeting adjourned at 12:14pm and reconvened at 3:32pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Mayor Foster, Councillor Foon, Deputy Mayor Free, Councillor Matthews, Councillor Pannett, Councillor Paul, Councillor Rush, Councillor Woolf and Councillor Young.

(Councillor Rush left the meeting at 4:01pm.)

### 3.3 **Report of the Pūroro Tahua | Finance and Performance Committee**

Meeting of 21 October 2021

#### **DRAFT 2020/21 ANNUAL REPORT AND AUDIT PROCESS**

##### **Moved Councillor Calvert, seconded Mayor Foster, the following motion**

Resolved

That Te Kaunihera o Pōneke | Council:

1. Confirm the Accounting Policies contained in the draft financial statements (Attachment 2) for adoption for the financial statements for the year ended 30 June 2021.
2. Adopt the draft Financial Statements and Statements of Service Provision for Wellington City Council and Group within the draft Annual Report for the year ended 30 June 2021, subject to the resolution of any matters identified during the meeting and receiving final audit clearance from Audit New Zealand.
3. Adopt the Annual Report for Wellington City Council and Group for the year ended 30 June 2021 (Attachment 1 and 2).

Carried

A division was required under Standing Order 27.6(d).

**For:**

Mayor Foster, Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Deputy Mayor Free (Deputy Chair), Councillor Matthews, Councillor Pannett, Councillor Paul, Councillor Woolf, Councillor Young

**Absent:**

Councillor O'Neill, Councillor Rush

Majority Vote: 12:0

Carried

**Attachment 1 and 2**

Reference to be made to Attachments 1 and 2 of item 3.3 of Te Kaunihera o Pōneke | Council meeting of 28 October 2021: Report of the Pūroro Tahua | Finance and Performance Committee Meeting of 21 October 2021: Draft 2020/21 Annual Report And Audit Process.

**Tabled items**

- 1 Annual Report Presentation
- 2 WCC Audit Opinion 2021

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The meeting concluded at 4:05pm with the reading of the following karakia:

<b>Unuhia, unuhia, unuhia ki te uru tapu nui</b>	Draw on, draw on
<b>Kia wātea, kia māmā, te ngākau, te tinana, te wairua</b>	Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind
<b>I te ara takatū</b>	
<b>Koia rā e Rongo, whakairia ake ki runga</b>	Oh Rongo, above (symbol of peace)
<b>Kia wātea, kia wātea</b>	Let this all be done in unity
<b>Āe rā, kua wātea!</b>	

Authenticated: \_\_\_\_\_  
Chair

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ORDINARY MEETING  
OF  
WELLINGTON CITY COUNCIL  
MINUTE ITEM ATTACHMENTS

Time: 9:30**am**  
Date: Thursday, 28 October 2021  
Venue: **Virtual meeting**

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**Business**

**Page No.**

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**2.2 Vacancy in Council**

- |   |   |
|---|---|
| 1. 2019 Local Election Results for Takapū/Northern Ward - tabled by Councillor Rush | 2 |
|---|---|

**3.3 Draft 2020/21 Annual Report and Audit Process**

- |                               |    |
|-------------------------------|----|
| 1. Annual Report Presentation | 3  |
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## 2019 Local Election Results for the Takapū/Northern Ward

<b>Candidate</b>	<b>Status</b>	<b>Iteration</b>	<b>Votes</b>
<b>Jill Day</b>	<b>Elected</b>	<b>1</b>	<b>3,404.00</b>
<b>Malcolm Sparrow</b>	<b>Elected</b>	<b>7</b>	<b>2,997.29</b>
<b>Jenny Condie</b>	<b>Elected</b>	<b>7</b>	<b>2,900.16</b>
Peter Gilberd	Excluded	7	2,258.74
John Apanowicz	Excluded	6	1,943.66
Graeme Sawyer	Excluded	4	866.28
John Peters	Excluded	3	518.88
Tracy Hurst-Porter	Excluded	2	420.25

# 2020/21 Annual Report

Celebrating  
**150**  
years

## Where are we now in the process?

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- **6 September to 12 October** - Audit of financial and non-financial information
    - **13 September (Monday) – Non-financial Audit starts**
      - *Statements of Service Provision provided in full, with supporting evidence, all KPIs and Outcomes. Full narrative and Cost of Service Statements*
  - **9 Sept – F&P workshop on SSPs and non-financials**
  - **21 September** – ARs workshop of financial information and audit progress
  - **12 October** – ARs meeting ahead of adoption
  - **14 October** – Final document released ahead of F&P meeting, including draft Audit Opinion
  - **21 October – F&P meeting, recommend to adopt**
  - **28 October** – Council meeting to adopt, final Audit opinion
-



## Non-financial performance

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- **This Annual Report is the last against the 2018-28 Long-term Plan.**
  - The areas of underperformance are not a surprise – due to previous results in Q1, 2 and 3 this year, COVID-19 impacts in some areas and previous years' results.
- **Some of these were addressed in the new KPI framework in 2021-31 Long-term Plan. For example:**
  - Fewer measures so the focus is on areas that are important
    - New measures inc. mapping Te Atakura progress and kilometres of cyclepaths
    - Satisfaction with facilities and services rather than utilisation
    - Wellington Water and Consenting measures remain the same as areas for improvement.

## Our performance

**Overall, 72 percent of KPIs achieved or exceeded targets, compared to 63 percent last year.**

**Highlights for KPIs across the three years, (pg 15 of report) include:**

- **97%** – well above the target of 70% for all three years in making meeting and committee agendas available to the public at least 4 days prior to meetings.
- **51,729 visits** to ZEALANDIA, above the target – exceeded for third year despite COVID-19 impacts  
(An example of how many revised visitation targets for facilities were exceeded this year, but remain below pre-COVID levels)
- **2,900** cyclists between 7am and 9am. Has been steadily increasing and result is a 15% increase on last year.
- **327,523 items** issued from the Council's e-Library – a growing trend and almost double the target
- **5/5** measures for City Housing satisfaction and occupancy met for third year running
- **5 years** ahead of our goal of planting 2 million natives by 2025 – 1,994,549 planted by the end of the year and 2m early in 2021/22
- **3.5 million kWh** less energy used than 2018/19

## Our performance (con't)

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**Overall performance in 2020/21 shows the following ongoing areas of challenge in delivering against our 2018-28 Long-term Plan:**

- Performance targets have not been met for three years in the three waters area, consenting and parking.
  - Declining perceptions in what our residents think of Council performance: Of the 49 measures taken from the RMS – 24 are not met, and overall there is a downward trend in perception and satisfaction across different areas.
    - Eg: satisfaction with peak travel times, street lighting, stormwater system, waste and recycling collection and how Council makes decisions have been not met for the three years of monitoring against 2018 LTP.
  - There has been an initial loss of productivity when we have implemented new systems – replaced facilities booking system, call centre operating system, bringing IT inhouse, digitisation of archives records and LIMs. This should improve in future years.
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## Water qualified measures

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The Statements of Service Provisions (Section 2) are qualified again this year in two areas.

- **Customer complaints in all three waters (3 KPIs):** The number of customer complaints for each of the three-water services were unable to be accurately reported to WWL by the council's contact centre. In many cases only the first complaint in relation to an issue is recorded. DIA mandatory measure definition requires every such complaint to be recorded. This measure was also qualified last year.
- **Water loss (1 KPI):** WWL was unable to report a reliable water loss percentage for each shareholding council. This is because the water loss percentage is estimated using information obtained from water meters across the reticulation network. The limited number of water meters across the reticulation network significantly impacts the reliability of the results. This measure was also qualified last year.

## Financial performance

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Despite, the challenge of the year due to preparing the budgets during the first COVID-19 lockdown, our financial position remains healthy and we performed well.

- **\$7.5m** surplus
- **74%** - Capital programme completed
- **\$7.4m** - Organisational savings target achieved
- **AA** - Credit rating retained

## **COVID-19 Impact**

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### **Impact on 2020/21 financial statements:**

- Loss of operational revenue – predominantly in Wellington Venues facilities
  - Loss of dividend revenue from Airport
  - Postponement of Q1 2020/21 rates
  - City Recovery Fund to support and boost the local economy
  - Support to CCOs and WOW through additional grants
  - Revaluations of operational land and buildings – valuation reports contain statements around the heightened uncertainty relating to COVID-19
  - Reduction of payment terms with suppliers maintained
  - Annual leave liability remains high
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## Comparison to budget

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- **The Council budgeted for a deficit of \$49.5m**
    - Includes items that are being funded separately e.g. through debt, or cannot be used to fund operating expenditure (e.g. NZTA capital funding)
    - Budgeted underlying result was \$0.0m
  - **Actual result was a surplus of \$7.5m resulting in a variance to budget of \$57.0m**
  - **Underlying result is \$26.8m (pg 23 of report)**
    - Represents 4.7% of operating expenditure
    - Excludes items that are being funded separately or cannot be used to fund operating expenditure
    - Council aims to achieve a nil underlying result each year
    - Positive variance to budget is consistent with what has been reported throughout the year in the quarterly reports
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## Significant Debt Funded Items

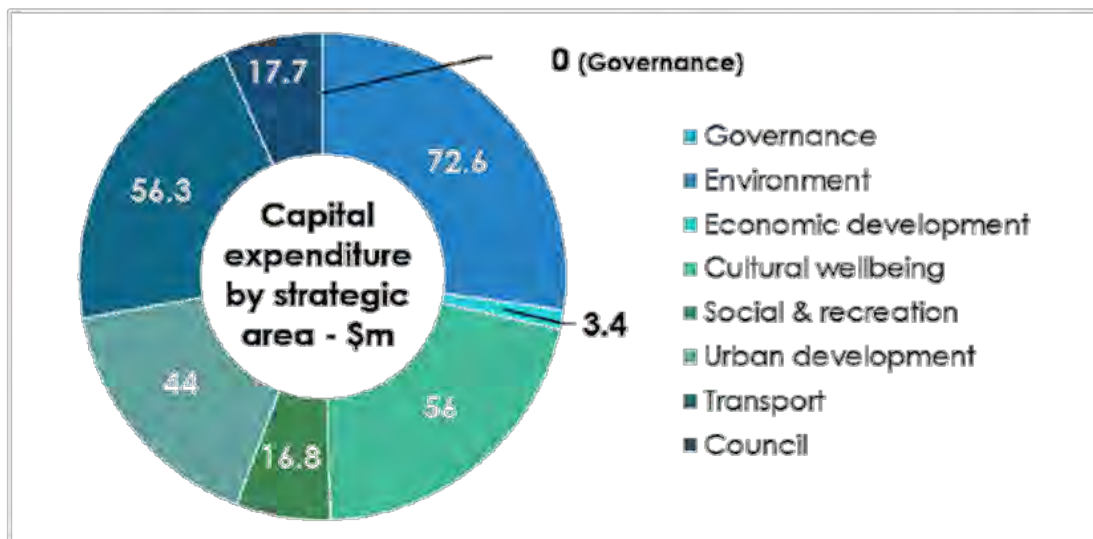
- The following items have been debt funded and are being repaid through rates
- It is therefore prudent that the surplus will be spread and used to offset the rates requirement relating to these items

	<b>\$M</b>
COVID-19 revenue and financing non-compliance	22.5
Loss of Airport dividend	14.0
Forecast revenue loss from COVID-19	13.6
LGWM opex costs	10.5
Mount Albert sewer tunnel	10.1
CCO COVID-19 support	5.0
Petone to Ngauranga Cycleway Grant Contribution	2.5
Other misc items	35.3
<b>Total</b>	<b>113.5</b>



## Capital Expenditure

- **\$266.8m - Capital expenditure for the year**
  - Improved performance on prior year capital expenditure of \$213.1m
  - Significant investment in three waters networks of \$55.7m or 21% total capital expenditure
  - Spend on major projects was \$152.5m or 57% percent, includes transport network investment, Tākina, St James, and Town Hall.
- **Budget was \$360.4m meaning an underspend of \$93.6m (more on pg 22)**



## **Post Balance Date Adjustments**

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**There are no events after balance date that require adjustment to the financial statements or notes to financial statements**

**The following post balance sheet events have been disclosed in Note 38**

- Water reform – detailed proposals and financial package announced post year end
- COVID-19 – lockdown from 17 August 2021 will have an impact in 2021/22
- WOW financial arrangement which was triggered by cancellation of WOW (as agreed in Feb 2021)

**This will continue to be monitored until the Annual Report sign off**

# **Audit update**

# **Pātai? Questions?**

## **Independent Auditor's Report**

### **To the readers of Wellington City Council's annual report for the year ended 30 June 2021**

The Auditor-General is the auditor of Wellington City Council (the City Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Karen Young, using the staff and resources of Audit New Zealand, to report on the information in the City Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the City Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the City Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 28 October 2021. This is the date on which we give our report.

## **Opinion**

### ***Unmodified opinion on the audited information, excluding the statements of service provision***

In our opinion:

- the financial statements on pages ... to ...:
  - present fairly, in all material respects:
    - the City Council and Group's financial position as at 30 June 2021;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;

- the funding impact statement on page ..., presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s annual plan;
- the statement about capital expenditure for each group of activities on page ..., presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the City Council’s Long-term plan; and
- the funding impact statement for each group of activities on pages ... to ..., presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s Long-term plan.

### ***Qualified opinion on the statements of service provision***

In our opinion, except for the possible effects of the matters described in the “Basis for our qualified opinion” section of our report, the statements of service provision on pages ... to ...:

- presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2021, including:
  - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
  - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand.

### **Report on the disclosure requirements**

We report that the City Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages ... to ..., which represent a complete list of required disclosures and accurately reflects the information drawn from the City Council’s audited information and, where applicable, the City Council’s Long-term plan and annual plans.

### **Basis for our opinion**

Six councils, including the City Council, are joint shareholders in Wellington Water Limited (Wellington Water). Wellington Water manages the six councils’ water assets and services on their behalf. A Committee represented by a member of each shareholding council monitors the

performance of Wellington Water. Wellington Water reports its performance in respect of water services to the six councils, which are required to report thereon in their respective statements of service provision.

We identified significant issues with some of these performance measures as described below. As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for these performance measures. Our opinion on these performance measures was also qualified for the 2020 performance year.

***Maintenance of the reticulation network – Water supply***

Wellington Water was unable to report a reliable water loss percentage for each shareholding council. This is because the water loss percentage is estimated using information obtained from water meters across the reticulation network. The limited number of water meters across the City Council’s reticulation network significantly impacts the reliability of the results.

***Total number of complaints received – Water supply, Wastewater, and Stormwater***

Wellington Water was unable to accurately report the number of complaints for each of the three waters services. Complete records of all complaints were not available, and the complaints system used also did not classify complaints between water supply, wastewater, and stormwater.

***Reliability of other performance measures in the prior year***

The City Council’s activity statements include performance measures on water supply, wastewater, and stormwater fault response times, and the number of dry weather wastewater overflows. In respect of the 30 June 2020 comparative information only, as explained on pages [... and ...], Wellington Water was unable to accurately report on these measures as the information produced from system was unreliable. There were no satisfactory audit procedures that we could perform to independently confirm whether the reported information was materially correct and our audit opinion on these performance measures for the year ended 30 June 2020 was modified accordingly.

This issue has been resolved for the 30 June 2021 year. As the limitation on our work cannot be resolved for the 30 June 2020 year, the City Council’s performance information reported for these performance measures for the 30 June 2021 year may not be directly comparable to the 30 June 2020 performance information.

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

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**Emphasis of matter – The Government’s three waters reform programme announcement**

Without further modifying our opinion, we draw attention to note ... on page ..., which outlines that subsequent to year-end, the Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the City Council will no longer deliver three waters services.

**Responsibilities of the Council for the audited information**

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council’s responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the City Council and the Group or there is no realistic alternative but to do so.

**Responsibilities of the auditor for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General’s Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the City Council’s Long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General’s Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:



- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the activity statements, as a reasonable basis for assessing the levels of service achieved and reported by the City Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the City Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the City Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the entities or business activities within the Group to express an opinion on the consolidated audited information.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other Information**

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages ... to ..., ... to ... and ... to ... and ... to ..., but does not include the audited information and the disclosure requirements.

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Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the City Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and the report on the disclosure requirements, we have audited the City Council's 2021-2031 Long-term plan, carried out a limited assurance engagement related to the City Council's debenture trust deed, provided probity assurance over the Central Library Project, and performed a review of the revenue and expenditure of the Clifton Terrace Car Park managed by the City Council on behalf of Waka Kotahi NZ Transport Agency. These engagements are compatible with those independence requirements.

Other than these engagements, we have no relationship with or interests in the City Council or its subsidiaries and controlled entities.

Karen Young  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand