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ORDINARY MEETING  
OF  
**PŪRORO MAHEREHERE | ANNUAL PLAN/LONG-TERM PLAN**  
COMMITTEE  
AGENDA

Time: 9:30am  
Date: Thursday, 30 June 2022  
Venue: Ngake (16.09)  
Level 16, Tahiwī  
113 The Terrace  
Wellington

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## **MEMBERSHIP**

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

### **Have your say!**

*You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8337, emailing [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz) or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.*

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## **AREA OF FOCUS**

The Long-term Plan and Annual Plan give effect to the strategic direction and outcomes set by the Strategy and Policy Committee by setting levels of service and budget.

The Committee is responsible for overseeing the development of the draft Annual Plan and Long-term Plan for consultation, determining the scope and approach of any consultation and engagement required, and recommending the final Long-term Plan and Annual Plans to the Council.

To read the full delegations of this committee, please visit [wellington.govt.nz/meetings](https://wellington.govt.nz/meetings).

**Quorum:** 9 members

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## 1. Meeting Conduct

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### 1.1 Karakia

The Chairperson will open the meeting with a karakia.

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

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

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

### 1.3 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

### 1.4 Confirmation of Minutes

The minutes of the meeting held on 1 June 2022 will be put to the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee for confirmation.

### 1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

***Matters Requiring Urgent Attention as Determined by Resolution of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.***

The Chairperson shall state to the meeting:

- 
1. The reason why the item is not on the agenda; and
  2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.

***Minor Matters relating to the General Business of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.***

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee for further discussion.

#### 1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to [public.participation@wcc.govt.nz](mailto:public.participation@wcc.govt.nz), by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

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## 2. General Business

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### 2022/23 ANNUAL PLAN ADOPTION

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#### Kōrero taunaki | Summary of considerations

##### Purpose

1. To recommend to Council to adopt the 2022/23 Annual Plan incorporating decisions and recommendations of the 1 June 2022 Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.

##### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
- People friendly, compact, safe and accessible capital city
- Innovative, inclusive and creative city
- Dynamic and sustainable economy

##### Strategic alignment with priority objective areas from Long-term Plan 2021–2031

- Functioning, resilient and reliable three waters infrastructure
- Affordable, resilient and safe place to live
- Safe, resilient and reliable core transport infrastructure network
- Fit-for-purpose community, creative and cultural spaces
- Accelerating zero-carbon and waste-free transition
- Strong partnerships with mana whenua

##### Relevant Previous decisions

Outline relevant previous decisions that pertain to the decision being considered in this paper.

##### Significance

The decision is **rated medium significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy. Adoption of the Annual Plan is a significant decision.

##### Financial considerations

- Nil       Budgetary provision in Annual Plan / Long-term Plan       Unbudgeted \$X
2. The 2022/23 Annual Plan outlines the budget for the next financial year. Commentary on the 2022/23 budget and its adherence to financial policy set through the LTP is included in the body of this report.

##### Risk

- Low       Medium       High       Extreme
3. Development and adoption of the Annual Plan needs to follow and meet statutory requirements set out in the Local Government Act. The Annual Plan attached to the report meets all statutory requirements under the Local Government Act 2002.

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Authors	Matthew Deng, Senior Advisor Geoffrey Coe, Principal Advisor Corporate Planning Baz Kaufman, Manager Strategy and Research Richard Marshall, Manager Financial Planning and Policy
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer Deirdre Reidy, Acting Chief Financial Officer



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## **Taunakitanga | Officers' Recommendations**

*Officers recommend the following motion*

That Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) **Receive** the information;
- 2) **Note** that the Committee considered the results of consultation including the issues raised in written and oral submissions at its meeting of 1 June 2022;
- 3) **Note** that the 2022/23 Annual Plan (attached as Attachment 1) has been prepared based on the decisions and recommendations of the Committee meeting of 1 June 2022.
- 4) **Note** that the final Annual Plan includes funding for the repayment of 2021/22 CCO Covid Response Support debt, in line with the original CCO Covid Response Support and as recommend to this Committee by the 19 May Pūroro Tahua - Finance and Performance Committee;
- 5) **Note** that the changed approach to funding for depreciation would result in operating expenditure exceeding operating revenue budget in 2022/23;
- 6) **Agree** that it is financially prudent not to have a balanced budget for the 2022/23 Annual Plan, where operating revenues are not sufficient to meet operating expenses;
- 7) **Agree** to change the general rate differential from 3.25:1 to 3.7:1 (so that commercial and residential ratepayers continue to pay the same proportional share of rates as was set in the 2021-31 LTP)
- 8) **Note** that the adjustment to the general rates differential from 3.25:1 to 3.7:1 may be inconsistent with the Council's Revenue and Financing policy;
- 9) **Note** that under Section 80 of the Local Government Act 2002, the Council can make decisions inconsistent with Council policy provided the inconsistency is identified, the reason for the inconsistency is explained, and how the Council will accommodate the inconsistency or modify the policy in future is outlined.
- 10) **Agree** the nature of the inconsistency, the reason for the inconsistency, and how Council will accommodate the inconsistency as outlined in paragraphs 16 to 32 of the report.
- 11) **Note** that the 1 September whole city valuation resulted in varying capital value increases across rating categories, this will result in individual property owners seeing varying percentage increases in their year-on-year rates increase.
- 12) **Recommend** that the Council adopt the 2022/23 Annual Plan (Attachment 1) including:
  - a. Part A: Introduction – Priority Investment Project and Programmes
  - b. Part B: Our work in detail
  - c. Part C: Financial Information
- 13) **Note** that having adopted the 2022/23 Annual Plan, the rates for the year commencing on 1 July 2022 and concluding on 30 June 2022/23 will need to be set by Council in accordance with section 23 of the Local Government (Rating) Act 2002, as outlined in the 2022/23 Rates Setting paper on the 30 June Council agenda.

- 14) **Delegate** to the Chief Executive and the Mayor the authority to make any editorial changes that may arise as part of the publication process.

### **Whakarāpopoto | Executive Summary**

4. The Council's 2022/23 Annual Plan is provided for adoption. This follows:
- The consideration of the fees and user charges in relation to the revenue and financing policy;
  - Preparation and workshops with elected members on Annual Plan issues.
  - Consultation during April/May 2022;
  - Oral hearings in May 2022;
  - The Committee consideration of all community feedback;
  - Committee deliberation on changes and a recommendation to Council of a final 2022/23 Annual Plan.

### **Takenga mai | Background**

5. The 2022/23 Annual Plan describes the second year of the current 2021-31 LTP. It describes the variances from the LTP and outlines the activities and services that will be delivered in the coming year. The purpose of the Annual Plan process is to:
- Support the Long-term Plan in providing integrated decision-making and the coordination of Council resources;
  - Detail the annual budget and funding impact statement; and
  - Identify and consider the community's views on any variances from the long-term plan for the coming year.
6. Through consultation with the community and the deliberation at the Committee meeting on 1 June, it was in favour that:
- City Housing will be setup as 'Community Housing Provider (CHP), under a community trust model;
  - a new landfill to be built on top of the existing Southern Landfill (piggyback option); and
  - agreed that the new landfill will be the final Southern Landfill extension, with waste minimisation initiatives will be prioritised so that landfill use is the final option, prolonging the useful life of the landfill extension as much as possible.

### **Kōrerorero | Discussion – 2022/23 Annual Plan**

#### *Annual Plan to be adopted*

7. The Council's 2022/23 Annual Plan is provided for adoption (Attachment One) in line with the Local Government Act 2002. This follows:
- preparation, consultation, and adoption of Our 10-Year LTP 2021-31
  - a consultation process on a draft 2022/23 Annual Plan in April and May 2022

- Committee deliberations on community and stakeholder feedback and consideration of recommendations/decisions on the Annual Plan.
8. The 2022/23 Annual Plan represents year two of the 2021-31 LTP and includes delivery on an ambitious programme of investment across the city. The Annual Plan includes a number of adjustments from the LTP, related to market constraints, budget changes related to cost inflation and asset revaluations and the addition of a number of new initiatives, for example, additional support for restorative planting initiatives and the removal of library late fees.
  9. Community feedback on the draft 2022/23 Annual Plan in April and May was largely supportive of the change proposals included. The exception to this being on the proposed increases to encroachment licence/lease fees. These fee increases were reduced by the Pūroro Maherehere | Annual Plan/Long-term Plan Committee as part of their final deliberations with officers also directed to undertake additional work on further supporting encroachment holders. Additional support for some community groups, including Capital BMX, Circa Theatre and EnviroSchools, was also agreed in response to specific submitter requests raised through the consultation process

#### *Financial Summary*

10. The 2022/23 Annual Plan budget presented for adoption includes a forecast operating expenditure of \$726m. This is a \$119m increase on 2021/22, which primarily relates to increased depreciation due to new assets and asset revaluation, as well as inflation on contracts and other council costs. Overall, the budget represents an average rates increase of 8.0 percent after growth
11. The 2022/23 budget also includes a \$421m capital programme. This continues to include significant investment in our water, stormwater, wastewater and transport networks, and multi-year projects to earthquake strengthen Council buildings.
12. As part of producing an Annual Plan, the Council is required to include a disclosure statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.
13. The purpose of the Annual Plan statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.
14. The key decision made by Council relevant to these disclosures is the approach to three waters depreciation funding which affects Council's adherence to a balanced budget requirement and compliance with Council financial policy. This is discussed in more detail in the section below.

#### *Three waters depreciation*

15. As part of development of the 2022/23 Annual Plan, the revaluation of Council assets has led to an unusual and unexpected increase in the value of our water assets of approximately 80%. This is much higher than anticipated through our long-term financial assumptions and became apparent after the 2022/23 Annual Plan went out to consultation.
16. Based on current Financial Strategy along with the Revenue & Financing Policy depreciation settings, this has led to an 80% (approx. \$34.0m) increase in three waters depreciation costs being added to the 2022/23 budget.

17. The Committee on 1 June agreed to rates fund three waters depreciation in 2022/23 based on the quantum of the renewals capital programme. This would ensure that the **renewal programme is fully funded** but mitigate the depreciation impact on 2022/23 rates.
18. The impact of not fully rates funding the increase in depreciation will be a budget where operating expenditure is greater than operating revenue. This is due to rates revenue that does not fund the full amount of depreciation as is normally done, resulting in a higher debt balance in relation to three waters (the additional rates collected in line with depreciation above the value of the renewal programme would have been directed to paying down three-waters debt).

*Draft budget and Section 100 of the LGA requirements*

19. Officers have sought the advice of Department of Internal Affairs (DIA) and have commissioned external legal advice from Simpson Grierson on the proposed approach and its adherence to the requirements of the Local Government Act (LGA). All parties are comfortable with the proposed approach as being in line with the proposed three waters reform and Council's legal obligations.
20. However, because the proposed approach leads to operating expenditure being greater than operating revenue, (which is inconsistent with Section 100 of the LGA) legal advice is that Council will need to formally agree the approach by resolving it is financially prudent having regard to the requirements of Section 100 of the LGA.

*Financial prudence and risk of depreciation funding approach*

21. Officer advice is that this Annual Plan is financially prudent because in the medium to long term the Council is able to set its budgets to have operating revenue matched to operating expenditure.
22. Financial prudence is also assured by the Council's balance sheet capacity to be able to fund required renewals without fully funding depreciation for 2022/23. This is largely due to previous years rates funded depreciation, significantly outstripping the 3-waters renewals programme.
23. It would also give rise to high legal risk if Council was to materially increase rates following consultation, in order to fully fund three waters depreciation.
24. Further, the proposed three waters reform, if proceeded with as indicated, would mean that the replacement of three-water assets will in the future be funded by a third party rather than Council. Under the Revenue & Financing Policy, Council has the ability to determine whether to reduce the funding or fully fund depreciation when this is the case.
25. Finally, the to be confirmed and quantified 'No Worse Off Funding' funding available through three waters reform should address any long-term impacts on Council debt arising from the temporary reduced funding of depreciation.
26. There is risk to this approach if three waters reform does not proceed as currently indicated. In this event Council debt levels may be higher than they should be in order to accommodate potential future renewal expenditure requirements. If this occurred, then it would need to be addressed through the 2024-34 LTP where the Financial Strategy and Revenue & Financing Policy would need to be reviewed and would need to address how depreciation is funded.

*Update to differential*

27. As explained in the report to the Committee meeting on 13 April and 1 June, the 2022/23 budget includes an adjustment to the commercial differential so that commercial and residential ratepayers continue to pay the same proportional share of rates as was set in the 2021-31 LTP.
28. While the Council's Revenue and Finance policy indicates that the differential will be reviewed each year to ensure sector affordability, the current differential (3.25:1) is outlined in the policy. As a result, this report includes a specific recommendation for Council to formally agree to the updated differential figure noting that it may be inconsistent with the current Revenue and Financing policy but not with its intent, which is to keep a proportionately of collecting rates in total between the two groups.
29. While not strictly necessary, formally noting and agreeing this inconsistency ensures that the change to the differential is formally agreed in relation to how it is included in the current Revenue and Financing policy.
30. Officers will review the Revenue and Financing policy as part of 2024-34 LTP to clarify the policy basis for the commercial differential and expectations around the regular review of the differential annually.

#### *Revaluations impact onto rates*

31. Property revaluations took place on the 1 September 2021 and will affect the rates increase experience by all individual ratepayers from 1 July 2022. Revaluations do not change the overall level of rates collected by Council. It does change how much of the total share each ratepayer contributes. Because of this, while the total rates increase after growth in the rating base is accounted for, is 8.0 percent, ratepayers whose properties have increased in value more than the average will see a higher percentage increase in their rates. Equally, ratepayers whose properties have increased in value less than the average will see a lower percentage increase in their rates.
32. The exact rates change for each ratepayer will vary dependant on their individual circumstances, a number of ratepayers are likely to experience rate increases in excess of the average. Council is working on providing clear communication directly to ratepayers most effected by increase on their rates bill due to the effects of revaluations, including advice on rates payment options.

#### **Kōwhiringa | Options**

33. Options relating to the 2022/23 Annual Plan were presented to the 1 June 2022 Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.

#### **Whai whakaaro ki ngā whakataunga | Considerations for decision-making**

##### **Alignment with Council's strategies and policies**

34. The work programme and variances outlined in the 2022/23 Annual Plan are aligned to Council's strategic objectives. Where decisions are inconsistent with existing policies or strategies that is identified.

##### **Engagement and Consultation**

35. The Special Consultative Procedure was used to inform the decision-making process. For more information on the consultation process and results please see the 1 June 2022 Pūroro Maherehere | Annual Plan/Long-Term Plan Committee agenda.

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### **Implications for Māori**

36. Council actions related to Māori are outlined in the body of the 2022/23 Annual Plan for adoption.

### **Financial implications**

37. These are identified in the body of the report.

### **Legal considerations**

38. These are identified in the body of the report.

### **Risks and mitigations**

39. These are identified in the body of the report

### **Disability and accessibility impact**

40. N/A

### **Climate Change impact and considerations**

41. Council actions related to climate change are outlined in the body of the 2022/23 Annual Plan for adoption

### **Communications Plan**

42. Following adoption, communications to all submitters and interested parties will progressed. Communication on rates increases will be included alongside the first quarter rates invoice explaining the increase and the impacts of revaluations. The final Annual Plan will also be published online and in hardcopy.


### **Health and Safety Impact considered**

43. N/A

### **Ngā mahinga e whai ake nei | Next actions**

44. The final 2020/21 Annual Plan once adopted will be published online and in hardcopy. This is required to be completed within one month from the date of adoption.

### **Attachments**

Attachment 1. [2022/23 Annual Plan Adoption](#)  

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# Mahere ā-Tau 2022/23

## Annual Plan 2022/23

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## Council Plans

The Local Government Act requires Council to produce a Long-Term Plan (LTP). This sets out the budget for the next 10 years and is reviewed every three years. Our current LTP, *'Our 10-Year Plan 2021-31'*, was adopted in June 2021. In between producing LTPs, Council produces an annual plan that focuses on any changes to the LTP programme for that year as a result of changed circumstances. These changes could be budget revisions, new priorities that arise, the rescheduling of projects underway or new work to address issues facing the wellbeing of the city.

The 2022/23 Annual Plan represents year two of the LTP. In particular, the services and changes to the LTP required to support the ongoing delivery of the year two LTP work programme. Details on Our 10-Year Plan are available at: [wellington.govt.nz](http://wellington.govt.nz)

## Part A: Introduction (CE/Mayor Foreword)

Tena koutou katoa

We all know the last two and a bit years since the arrival of Covid-19 have been extraordinarily difficult, and we are still very much feeling the effects of the pandemic on our society and our economy.

Covid has been particularly challenging for the city centre and the construction sector.

Last year our 2021-31 Long Term Plan included the most ambitious capital 10 year capital programme our City has ever undertaken. We have been making a lot of tough decisions and also significantly increased investment in water, waste and transport infrastructure, and provided funding for largely pre-committed significant building projects, the St James, Tākina, Town Hall and Central Library Te Matapihi.

That challenging construction environment includes ongoing disruptions to global supply chains, a rapid increase in inflation and interest rates. All this has required us to be adaptable in delivery of Council programmes and projects.

We are very conscious of the delicate balance between making the investments our city needs and is asking for, and cost of living pressures on residents and businesses.

As a Council we are working hard to manage cost pressures down, with internal savings targets totalling \$32m over three years. We have done this whilst continuing to deliver the services that contribute so much to making our city one of the most liveable in the world. As well as continuing the programme of capital works that you told us was critically important to making our city even better and to set us up for a prosperous, liveable, sustainable future.

We have managed to deliver all those services, deliver the capital programme and, with efficiency gains, keep the rates increase below the level signalled in the LTP. The LTP proposed a 9.1% 2022/23 rates increase after growth and this Annual Plan delivers an overall rate increase of 8.0%. We have achieved this despite inflation having risen dramatically during the year, from 1.5% in the year to March 2021, to 6.9% in the year to March 2022.

The strength of any Council's planning depends on good engagement with the communities it serves. Through engagement on the Annual Plan we listened carefully to your feedback, and made changes to our initial plans, particularly in reducing the increase in encroachment fees and supporting a number of submitter requests for funding support.

Our programme includes major investments as noted above, as well as a lot of smaller neighbourhood projects, and the full range of Council services. Our remarkable City has a lot to look forward to.

Nga mihi nui

Andy Foster

Mayor – Koromatua

Barbara McKerrow

Chief Executive – Tumu Whakarae

## Operating environment – what’s influencing this Annual Plan

**Operating environment:** The Council’s operating environment for this Annual Plan continues to be challenging and continues to be impacted by the following conditions:

**Pandemic environment:** Since the adoption of the Long-term plan in June 2021, Delta was the dominant Covid-19 variant. Since this time, Omicron has become the dominant variant in Aotearoa New Zealand. While the Government has changed alert levels and adjusted its response to the changing pandemic public health needs there remains considerable uncertainty on the direction and impact of the pandemic socially, culturally and economically. Like other organisations across the country, the Council is being as agile as possible in its own management (e.g. through savings, management of its debt position and maintaining levels of service) and how it supports the community through the pandemic. Council income in particular has materially decreased during the pandemic and is only recovering slowly as alert levels are eased.

**Construction and supply chain pressures:** Pandemic linked disruptions to the construction market capacity and materials supply chains have impacted the supply of external contractors and increased pressure on the planning, prioritisation and the ability to scale delivery resources. This has slowed the pace of delivery of projects supporting the LTP. While we are confident that the planned LTP programme will be delivered, these pressures remain and there is considerable uncertainty in forecasting project progress, capital spend and final delivery timings. Material supply chain constraints to New Zealand are forecast to continue as will our focus on strengthening internal capacity to deliver and will continue to be the key focus for this Annual Plan.

**Increasing inflation and interest rates:** Increasing inflation and interest rates are expected to adversely impact the New Zealand economy over the next year. The above construction and supply chain pressures along with skilled labour shortages are contributing to these cost pressures and are increasing the cost of doing business and constraining growth intentions. Like businesses, the Council is having to manage these pressures while maintaining levels of service, delivering city development projects and producing an annual budget. Interest rates are expected to increase over the term of this Annual Plan, increasing the cost of delivering the Council’s services and capital programme - which has projects that are essential to the development of the city.

**The Council’s debt position:** We borrow to fund the upgrades to our assets and to invest in new infrastructure. This allows us to spread the cost of funding the expenditure over multiple generations that will benefit from the investment. As the cost of our upgrades or developing new infrastructure increases, we move closer to our Council imposed borrowing cap of 225% of operating income. Lingering pandemic pressures have reduced the Council’s and CCO income, in addition, the LTP has an ambitious infrastructure development programme being implemented or delivered in the first few years of the 2021 LTP which is being funded through borrowings. For this Annual plan we expect net borrowings to exceed the Council cap by 25% and return to be within the cap by 2029/30. In this environment managing the capital programme and the above pressures will be key part of managing the Council’s financial position. This includes ensuring adequate headroom for future renewals and unforeseen disaster events along with finding alternative sources of borrowing (e.g through Infrastructure Financing and Funding Legislation).

## Community feedback on the Annual Plan 2022/23

Engagement activities were carried out April – May 2022 on our Annual Plan Consultation Document. They were focused on an engagement website which outlined what was proposed and encouraged submitters to fill out the submission form online.

The timing of 2022-23 Annual Plan consultation began at the same time the country transitioned into the orange setting under the COVID-19 Protection Framework. This allowed tenant drop-in sessions as a face-to-face engagement opportunity. In-person, face-to-face engagement channels prior to the orange setting were not permitted.

Initial submissions were low, owing to the easter holiday period. After the easter weekend increased website and virtual forum activity coincided with increased submission rates. This culminated with 162 submissions in the final weekend of the consultation.

Despite being unable to perform pre-consultation engagement activities with COVID restrictions and the consultation running through two public holidays, we received over 800 submissions.

### *The Numbers at a Glance*

- Over 800 submissions.
- LetsTalk received over 11,000 views.
- Online webinars received over 900 views.
- 58 submitters attended oral hearings.

### **What people said**

The feedback sought was focused around three areas:

- The future of city housing;
- The future of the Southern Landfill; and
- Other Annual Plan issues, most commented upon being proposed increases to road encroachment licence fees

We asked the community the following:

- **The future of city housing:**
  - Should the Council to retain City Housing or by establishing a Community Housing Provider (CHP):
    - The feedback was that 13.9% to retain Council's City Housing through increasing rates and borrowing; 49.7% to establish a CHP; 11.2% opposed either of these options; 25.1% didn't know.
  - If the Council did establish a CHP, which option do you support:
    - 28.1% supported asset-owning CHP with broad responsibilities; 43.9% supported leased CHP with broad responsibilities; 6.6% for leasehold CHP with narrow responsibilities; 2% opposed all options; 19.5% didn't know.
    - If the Council established a CHP, council's preference for a community trust, rather than a company or limited partnership: 78.5% supported community trust; 8.1% supported a company or limited partnership; 13.4% didn't know.
- **The future of the Southern Landfill:**
  - Should the Council to build a new landfill on top of existing landfill, build a waste to energy incineration, or no residual waste facility in Wellington.

- The feedback was that 49.7% supported a new landfill (piggyback option); 24.4% agreed waste to incineration; 18.4% supported having no residual waste facility in Wellington City; 4.6% opposed all options; and 2.9% didn't know.
- **Encroachment fees:**
  - Increasing encroachment licence fees to better reflect their value.
  - 21.8% support; 60.4% did not support; and 21.8% were neutral on the options.

We also asked the community regarding to specific proposals for the upcoming year:

Question	Support	Do not support	Neutral/Don't know
Rescheduling of the timing of some projects to recognise market and supplier constraints	<b>53.0%</b>	8.9%	38.1%
Not proceeding with previous plans of extending on street paid parking time limits on Friday and Saturday evenings.	<b>47.5%</b>	26.1%	26.3%
A \$20m Environmental and Accessibility Performance Fund that provides financial support for those building energy efficient or sustainable homes and buildings in Wellington	<b>50.2%</b>	27.1%	22.7%
Additional funding for a full upgrade to Khandallah summer pool	<b>41.5%</b>	23.7%	34.9%
Removal of all library charges to remove barriers to accessing council libraries	<b>61.0%</b>	21.4%	17.5%
<b>Overall support for the budget</b>	23.4%	21.5%	<b>55.1%</b> (33.1% neutral) (21.8% don't know)

## Priority Investment Projects and Programmes

This section outlines our Priority Investment projects aligned with the 2021-31 LTP’s Community Outcomes and through the short-term Priority Objectives.

### Community outcomes: Environmental, social, cultural and economic wellbeing

Community Outcomes	
<p><b>A sustainable, climate friendly eco capital (environmental wellbeing)</b> - A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations.</p>	<p><b>A sustainable, climate friendly eco capital (environmental wellbeing)</b> - A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations.</p>
<p><b>An innovative, inclusive, and creative city (cultural wellbeing)</b> - Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities and openly express, preserve and enjoy arts, culture and heritage.</p>	<p><b>An innovative, inclusive and creative city (cultural wellbeing)</b> - Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities and openly express, preserve and enjoy arts, culture and heritage.</p>
Priority Objectives for next three years	
<p><b>A functioning, resilient and reliable three waters infrastructure</b> – with improving harbour and waterway quality and, reducing water usage and waste.</p>	<p><b>Wellington has affordable, resilient and safe housing</b> – within an inclusive, accessible, connected, and compact city.</p>
<p><b>The city’s core transport infrastructure is a safe, resilient, reliable network</b> – that supports active and public transport choices, and an efficient, productive and an environmentally sustainable economy.</p>	<p><b>The city has resilient and fit-for-purpose community, creative and cultural spaces</b> – including libraries, marae, museums and community halls, where people connect, develop and express their arts, culture and heritage.</p>
<p><b>An accelerating zero-carbon and waste-free transition</b> – with communities and the city economy adapting to climate change, development of low carbon infrastructure and buildings, and increased waste minimisation.</p>	<p><b>Strong partnerships with mana whenua</b> – upholding Te Tiriti o Waitangi, weaving Te Reo and Te Ao Māori into the social, environmental and economic development of our city and, restore the city’s connection with Papatūānuku.</p>

## **A functioning, resilient and reliable three waters infrastructure**

### *Three waters work programme*

We have heard loud and clear that Wellingtonians' attitudes towards the three waters area is shifting. Fresh water is more valued than before, it is no longer taken for granted and there is an expectation that wastewater will not be found in the sea or in streams. Stormwater is increasingly in focus as a changing climate delivers more intense rainfall, which tests the capacity of the stormwater system. While new infrastructure is sound, most of our infrastructure is more than 30 years old.

We increased the level of investment in our three waters network through the 2021-31 LTP in order to begin to address the issues in our network. This was mainly about looking after existing infrastructure (i.e., operations, maintenance, and renewals) and completing targeted growth investments. 2022/23 will be year two of this programme of work.

There are challenges in the delivery of our investment in three waters. Rising costs of materials and labour, interruption in the supply chain, and general capacity and capability limitations in the sector will limit how much progress we can make. Government stimulus funding, which has been used to support a better understanding of network condition, is also coming to an end in 2022.

Responding to toughening market conditions and the conclusion of the Government stimulus funding we have increased investment over the next 24 months, in planned and reactive maintenance by \$9.65 million and advanced a further \$18 million in capital funding for the central city wastewater network to provide a more resilient network with increased growth capacity.

### *CBD Wastewater Pump Station and Rising Main Projects*

Wellington CBD's Wastewater upgrades and renewals programme involves installation of a new rising main and wastewater pump station in Taranaki Street. In addition to enabling forecast growth in central Te Aro, the installation will provide network redundancy to enable renewal of existing ageing rising mains in Victoria, Dixon and Wakefield Streets, Oriental Parade and Kent Terrace, as well as the renewal and upgrade of seven pump stations.

A rising main is a pressurised part of the wastewater network that lifts the gravity-fed wastewater network from the waterfront area, up and into the interceptor that flows into Moa Point Treatment Plant.

### *Omāroro Reservoir*

The new 35 million litre Omāroro Reservoir project located at Prince of Wales Park, Mount Cook, is scheduled to be completed in late 2022/early 2023. The reservoir will provide a significant increase in water storage for Wellington city and in the event supply pipes are disrupted, the reservoir will ensure 48 hours supply of water to the city. The core structure of the reservoir is now installed, and work on installing the mechanical and electrical components into the pipe tunnel. This will then be followed by 5 years of restoration and maintenance at the site.

## **Wellington has affordable, resilient and safe housing**

### *Planning for Growth*

The Planning for Growth programme involves the development of a 30-year spatial plan for the city and a full review of the District Plan, our 'rule book' for managing development in the City. The spatial plan, which was adopted in June 2021, directs where and how growth will occur taking into account transport, infrastructure, the impacts of climate change, heritage, and our natural environment. The focus is to ensure quality urban development in and around the Central City, Inner Suburbs, key public transports nodes, and major suburban centres.

A non-statutory Draft District Plan was released for community input in October 2021 with over 1000 submissions received. The District Plan is one of the key regulatory tools that will give effect to the Spatial Plan.

The statutory Proposed District Plan will be publicly notified in July 2022. Submissions and further submissions can then be lodged by members of the public. Hearings by Commissioners will commence in early 2023, with decisions expected to be released by the end of 2023/early 2024.

For more information visit: [planningforgrowth.wellington.govt.nz](http://planningforgrowth.wellington.govt.nz).

### *Housing Upgrades Phase 2 and Healthy Homes*

The 20-year Housing Upgrade Programme is entering phase 2. Phase 1 involved the upgrade of more than half our social housing portfolio of 2,000 units. Phase 2 planning is currently underway. The Act requires all landlords to meet a set of standards that include, insulation, heating, ventilation, draft stopping and drainage. We are also underway with upgrading all City Housing properties to meet Healthy Homes requirements and are on track to complete these upgrades by July 2024. Healthy Homes requires all landlords to meet a set of standards that include, insulation, heating, ventilation, draft stopping and drainage.

### *City Housing Consultation*

Following consultation with the community we will progress with establishing a registered Community Housing Provider for the management of council social housing. This will address the long-term the financial sustainability challenges through enabling access to Income-Related Rent Subsidy (IRRS) revenue, and would better enable delivery of new social housing supply in Wellington. Current tenants would not have access to IRRS, but would continue to have security of tenure and the same or improved tenancy terms.

### *Te Kāinga – Affordable Rental Programme*

Te Kāinga is a partnership between the Council and building owners with the aim of providing secure, affordable and long-term rental accommodation in Wellington. The programme delivers more housing options for some of the city's essential and key workers on medium to lower incomes who may otherwise find it difficult to access appropriate housing options in the city.

The first project in the programme, Te Kāinga Aroha, welcomed the first tenants in March 2021 and provides 52 one, two, and three bedroom apartments in the CBD. A further 190 units, across three buildings, will be tenanted by the end of the 2022/23 year and negotiations will continue through 2022/23 on future buildings to achieve the target of 1000 units delivered or committed by 2026.

### **The city's core transport infrastructure is a safe, resilient, reliable network**

#### *Let's Get Wellington Moving (LGWM)*

LGWM is working with the people of Wellington to develop a transport system that supports the city's growth while making it safer and easier to get around. It's a once-in-a-generation opportunity to shape Wellington's future, as a great harbour city with attractive streets, align transport and urban development, improve the public transport offering, and help address the climate crisis.

LGWM is a joint initiative between Wellington City Council, Greater Wellington Regional Council, and Waka Kotahi NZ Transport Agency, with support from mana whenua partners Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira. Its focus is the area from Ngauranga Gorge to Miramar including the Wellington Urban Motorway, access to the port, and connections to the central city, southern and eastern suburbs, Wellington Hospital and the airport. It includes all the ways we get to and around our city and how the city develops alongside its transport system. Major projects include:



Mass rapid transit and strategic highway improvements – In November 2021, Let's Get Wellington Moving asked the community for feedback on four options to help transform the Capital. These focus on mass rapid transit, improvements at the Basin Reserve and an extra Mt Victoria Tunnel as part of a multi-billion dollar plan to move more people with fewer vehicles, enable more housing, and help reduce carbon emissions. Almost 5,700 people provided feedback, along with 41 key stakeholder groups and organisations. LGWM is working to recommend a preferred option in the middle of 2022. If Let's Get Wellington Moving's partners endorse the preferred option, detailed investigation will begin to support design, master planning, consultation, and consenting.

**City Streets package** – LGWM is progressing work on a package of projects on 19 key routes between the central city and suburban centres to improve connections for people on buses, bikes or walking. The team has begun six immediate start projects, including data gathering and investigation work ahead of engagement with businesses and communities later in 2022. Starting with 'targeted improvements' – 83 individual projects across Wellington – LGWM aims to create safer and more reliable journeys for people walking, cycling and taking the bus.

**Golden Mile transformation** – LGWM is developing a detailed design to transform the Golden Mile (Lambton Quay to Courtenay Place), creating vibrant and attractive public spaces, safer walking and biking, and more reliable public transport. In February and March, businesses, building owners and residents along the Golden Mile and side streets provided early input into designs looking at loading zones, delivery access and side street layouts. Feedback is informing the next stage of the design work. Let's Get Wellington Moving will share a design with Wellington in mid-2022 before seeking traffic resolutions in late 2022/early 2023 with plans to start construction in 2023.

**Thorndon Quay and Hutt Road improvements** – Initial designs for a new roundabout at Aotea Quay, which will provide a safe turning area for trucks and other large vehicles, are being developed in advance of the designs on Thorndon Quay and Hutt Road. Designs for the roundabout are expected to be shared with the community in the middle of 2022, ahead of construction starting in late 2022.

Designs for Thorndon Quay and Hutt Road to provide safer and more reliable travel choices and create a more attractive street environment on Thorndon Quay are planned to be developed over the second half of 2022. The design and construction team will be seeking early input into the designs from local businesses, building owners and users groups, in advance of sharing the designs with the community for public engagement in late 2022/early 2023. Construction is planned to start following construction of Aotea Quay roundabout.

**Central City Walking Improvements** – Following upgrades to two intersections on Whitmore Street, further work is underway to make central city intersections safer, more accessible, and more efficient. Work began on five intersections along Vivian Street in April 2022, with waterfront intersection improvements scheduled from July 2022, and Bowen Street/The Terrace intersection improvements from October 2022.

**Cobham Drive crossing** – Speed limits on State Highway 1 east of Mt Victoria were reduced late April 2022 to make it safer for all those using the road. Construction of a new crossing on Cobham Drive 1 is planned for 2022.

Find out more about the programme at [lgwm.nz](http://lgwm.nz)

#### *Paneke Pōneke – Bike Network Plan*

Wellington City Council continues partnering with Waka Kotahi NZ Transport Agency and central government to deliver a fully connected bike network throughout Wellington that will make biking and scooting safer and easier. Combined with improvements for pedestrians and people taking the bus, the network is part of setting the city up for future growth and encouraging a lot more people to get around in low or zero carbon ways.

In March 2022 following community feedback, the Council agreed to create additional connections to the existing bike network, increasing its coverage from 147km to 166km or 20 additional connections. The majority of the new connections will be in the Western and Northern wards.

Key parts of the network to be progressed in 2022/23 include:

- construction on the Newtown to city bike and bus lanes began in April and is scheduled to be completed and operating by September 2022. The new lanes start on Riddiford Street at Mein Street by the hospital, down to Kent and Cambridge terraces and finishing by the waterfront. On Adelaide Road the bus lanes will be separated from the bike and traffic lanes; on Kent and Cambridge the existing bus lanes will operate for longer.
- concept designs for the Greta Point to Cobham Drive stage of the Evans Bay Parade bike connection were approved in November 2021. The finalised design will be completed in 2022 with construction expecting to begin in early 2023. Alongside the section from Balaena Bay to Little Karaka Bay, these changes will complete the path around the peninsular.
- safety improvements on The Parade in Island Bay began in 2022. Works include resealing parts of the street, providing greater separation between bikes and traffic, improving visibility and making safety improvements through the town centre. This is expected to be completed in the 22/23 financial year.
- begin work on the Botanic Garden ki Paekākā route in September 2022. The Botanic Garden ki Paekākā to city route will be part of the western connection to Karori, and make it safer for many more people to bike/scoot between Tinakori Road and the waterfront. A new bus lane will also mean more reliable journeys for people taking the bus.
- planning and design has commenced on the first tranche of both the transitional bike/ bus projects and street transformational projects post adoption of Paneke Pōneke – The Bike network Plan in March 2022.
- consulting and developing the design for the street transformational project for the Brooklyn Hill, starting development of the transformational project for Molesworth and Murphy/Mulgrave Street connections using the data and feedback received through the transitional project as well as focusing on increasing bike parking across the city.
- Engage with community on a parking management plan for Newtown to support the street changes and manage demand in this area.

### **The city has resilient and fit-for-purpose community, creative and cultural spaces**

#### *Aho Tini 2030*

We will continue to focus on delivering the four key focus areas outlined in the Aho Tini 2030 Arts, Culture, and Creativity Strategy. Actions will be implemented in collaboration with Wellington's arts and creative sector, giving a new direction for cultural wellbeing in the city and revitalising the sector post-covid.

The key focus areas are:

- Focus Area 1: **Aho Tangata** Our people – connected, engaged, inclusive, accessible communities
- Focus Area 2: **Aho Hononga** Partnership with mana whenua and Māori
- Focus Area 3: **Aho Whenua** Our places and spaces and venues – our city is alive
- Focus Area 4: **Aho Mahi** – Pathways – successful arts and creative sector, and careers.

The creative sector has contributed willingly and generously to shaping and sharpening Aho Tini 2030 in 2021. Building on this, 2022/23 will see continued collaboration with the sector and mana whenua, and a focus on accessibility for the sector to spaces, places, and venues across the city and suburbs.

#### *Te Ngākau Civic Precinct*

The second stage of preparing Te Matapihi ki te Ao Nui – Central Library for strengthening is underway. This stage of work includes removing services (air-conditioning, lighting and so on, many of which were due to be replaced) and interior walls from roof down the five floors and basement. We expect this work to be completed by August 2022. From there onwards, foundational strengthening works is planned to start late in 2022 dependent on the Resource Consent process. We will also be extending levels three and four.

As well as strengthening Te Matapihi we're taking this opportunity to modernise and make sure it will be spatially flexible, accessible, and fit for the future, to better meet the needs of our growing city. When Te Matapihi reopens in the first quarter of 2026, Wellingtonians and visitors will be able to connect with the libraries' collection and services alongside City Archives, Council's Services, and Experience Wellington's Capital E.

During the year we expect to lodge the Resource Consent application(s) for the demolition of the Civic Administration Building and the Municipal Administration Building, as consulted on through the 2021-31 Long-Term Plan given it's not economically feasible to strengthen and upgrade these two buildings.

#### *Town Hall/National Centre for Music*

The Town Hall upgrade is underway with seismic strengthening and redevelopment as approved by Council in February 2019. The work is technically challenging and progress has been impacted by Covid-19, however has been made on demolition, heritage management and restoration, and installation of some seismic strengthening. Work will continue throughout 2022/23 and expected to be completed in 2024.

In March 2022, jointly with Te Herenga Waka – Victoria University of Wellington and Te Tira Pūoro o Aotearoa—New Zealand Symphony Orchestra (NZSO), further details for fit-out of the National Centre for Music in the Te Ngākau - Civic Precinct were revealed. This will see the national music centre occupy space in the Michael Fowler Centre precinct, formed by the new landmark building being developed by Willis Bond at 110 Jervois Quay (Michael Fowler Centre Carpark), and the redeveloped Wellington Town Hall. The centre will be occupied by both University's New Zealand School of Music—Te Kōkī (NZSM) and the NZSO. The redeveloped Wellington Town Hall and Te Ngākau itself, with its significant complement of creative sector and humanities buildings will be at the heart of the national music centre. The new development will begin in late 2022 and; completion and occupation of the new centre will from the beginning of 2026.

#### *Convention and Exhibition Centre*

Takina, The Wellington Convention and Exhibition Centre (WCEC) will be Wellington's meeting place – a modern fit-for-purpose, sustainable 5-Green Star building fitting for our capital city and is due for completion in 2023. It will be the capital's premium conference and exhibition space with two levels dedicated to hosting conferences, meetings, trade exhibitions and business events. Takina will be managed on behalf of Council by Te Papa in an exciting partnership that will see the Te Papa venues and Takina being marketed and operated under the Takina Events brand and identity. In addition, Council will operate on the ground floor a public exhibition gallery to showcase leading touring exhibitions, attracting primarily domestic visitors and Wellingtonians alike. This level will also feature a cafés, a courtyard garden and a public concourse that links Cable Street and Wakefield Street.

Construction remains on track – with the exterior nearing completion and internal services, finishes and fitout on some of the floors making notable progress.

#### *St James Theatre*

After three years of significant strengthening and refurbishment works the St James Theatre is planned to reopen by the end of June.

The re-opening of the St James Theatre is an exciting step in revitalising the capital's theatre district, bringing Wellingtonians and visitors back to the city to enjoy the arts and kick-starting Wellington's post-covid renaissance. The St James is an anchorstone of the Council's Aho Tini 2030 strategy.

Wellington City Council Creative Capital team will continue to work closely with WellingtonNZ, which manages the theatre and bookings, and key tenant the Royal New Zealand Ballet (RNZB). RNZB will be refurbishing its dance studios and tenancy space once the building works are complete in June.

#### *Upgrade of Community Facilities including Community Centres*

The upgrade to Kilbirnie Community Centre is complete providing improved access, layout for the meeting rooms and updated kitchen and bathrooms.

The upgrades for the Aro Valley, Newtown and Strathmore community centres are all underway will be completed October/November 2022.

The three upgrades will provide improved access, more flexible spaces and upgrades to the Kitchens and toilets. For the Aro Valley upgrade the hall will be relocated providing a safer traffic thoroughfare and usable outdoor space. The Newtown project will also provide an opportunity to upgrade the theatre and install a lift.

#### *Frank Kitts Park*

Construction of the Frank Kitts Park playground upgrade began in January 2022. The \$6m new design folds in mana whenua values, will be bigger than the original playground, and includes a large-scale play area with bespoke equipment, a nautical/coastal theme fitting for the waterfront site, and an accessible space for kids of all ages and abilities. New features include a waka, 5 new swings and dual flying fox, and a new lighthouse. While the recent change in the construction contractor has presented a challenge, the new playground is expected to be open in late 2022.

In September 2021, the Planning and Environment committee approved in principle the demolition of the underground car park. Alongside the Frank Kitts Park Playground upgrade, a range of projects are underway, aimed at enhancing the wider park, and reflecting its wide range of uses as an open space and event location. Projects include re-design of the Garden of Beneficence to reflect the car park removal; reconfiguring location of plaques and other heritage features; storage and infrastructure, such as Dragonboat storage, and public toilets and accessibility.

We are developing a coordinated programme to ensure these works are delivered to minimise the effects on the public and are designed to build on the Park's reputation as a welcoming, accessible destination on Wellington's waterfront. Following public consultation and design work, the final development plan will be presented to Council in March 2023.

#### *Fale Malae*

One proposed project is the Fale Malae Trust's request to build a Fale Malae in the area. In September 2021, the Council's Planning and Environment Committee approved the Trust's proposal in principle to continue further investigation which will include a public consultation process led by the Trust. In its role as landowner, the Council will formally consider a future application from the Trust which is anticipated to align with the development plan process in March 2023, and therefore not part of the 2022-23 Annual Plan funding.

## **An accelerating zero-carbon and waste-free transition**

### *Te Atakura – First to Zero*

We are in a climate and ecological emergency, and we need to take action now to adapt to the changing climate, and to lessen the extent of the impacts through supporting the city to radically lower emissions. Our city emissions reduction target is to reduce 2020 greenhouse gas emissions by 57% by 2030, and to reach net-zero by 2050.

One of the largest actions we can take to reduce the city's emissions will be shifting transport modes (from petrol/diesel cars to electric cars, public transport, cycling and walking). LGWM, Planning for Growth and cycleways, mentioned earlier in our infrastructure plans, all contribute to this, however the full benefits of these won't occur this decade.

Beyond this we have programme of work underway intended to ensure that sufficient reduction activity is undertaken in this decade.

Over the next 12 months, there will be a number of workstreams underway to enable community-based and business-led projects in the climate and sustainability space, and to improve the level of services for various modes of transport such as the installation of public EV chargers across the City and sharing schemes such as car and e-scooter share. As part of our monitoring and reporting process, we will continue to calculate the emission inventories of the Council and of the city annually. This will support our ongoing investigations into new carbon reduction activities as we refine the emission reduction plans for the Council and the City. We are also focused on supporting residents to adapt to increased risks from the change in climate we will experience over the coming decades.

We will be increasing our engagement with Wellington on the climate action challenge. Wellingtonians regularly tell us that they want action on climate change, but also want clarity on what action is required, and who needs to do what. We plan to further that conversation, and also work with a variety of communities on how climate change will impact us locally, what our response could and should be over the coming years, and what role central government will play.

Climate change response is embedded across all our activities at Council. In addition to providing insights and improving awareness of what climate action means for us in Wellington City, we are also undertaking a wide variety of initiatives supporting business, community groups and residents to act, advocacy for supportive central government policies, and using our understanding of the climate challenge to shape a zero-carbon city, with increased urban density and a transformed low-carbon transport system.

### *Sludge Minimisation*

This project is to invest in a Sludge Minimisation Facility to break the link between the landfill and sewage. We need to do this to achieve our waste and carbon reduction targets and reduce sludge disposal at the Southern Landfill by more than 80%. The target is to have the facility in operation by 2026, which aligns with the Southern Landfill completion date.

The construction is to be financed using the Infrastructure Funding and Financing Act 2020 (IFFA) – which applies a levy on beneficiaries (in this case ratepayers subject to general rates) to pay the cost of financing over time. There are number of consents required for this project. This is expected to be granted and completed in 2022. Funding for the project will then be finalised, and if that's agreed, construction could be underway by 2023.

## **Strong partnerships with mana whenua**

### *Mana whenua and Māori - he waka eke noa*

#### **The last two years**

It is an exciting time at Council for strategic Māori outcomes, we have enhanced greater enabling conditions that will empower our organisation and Council-controlled organisations to create a resounding change that will contribute to a vibrant, flourishing city for our tamariki mokopuna to enjoy.

A shift in governance at the Council saw the beginning of a new way of delivering for mana whenua and Māori within the city. A new role was created at the Executive Leadership level, Chief Māori Officer, which resulted in a new era within the Council.

In 2021, a priority of the Long-Term Plan was to strengthen mana whenua and Māori relationships, this provided \$29 million over the next 10 years for Māori Strategic Outcomes. Council then created Mataaho Aronui, a Strategic Māori Outcomes unit to drive the new strategic direction focussing on:

- Māori Partnerships
- Māori Strategy
- Māori Success

#### **Tūpiki Ora Māori Strategy**

To ensure mana whenua and Māori would lead the direction of the change, we co-facilitated 6 huinga Māori with mana whenua within the city to ask for their aspirations for the future of Te Whanganui a Tara.

These aspirations shaped the development of Tūpiki Ora Māori Strategy (Tūpiki Ora), a strategy for the city co-developed with mana whenua and Māori. Tūpiki Ora focusses on supporting and developing vibrant, thriving whānau in Te Whanganui a Tara. We want mana whenua and Māori to shape the direction of where we as a city are going and how we will get there. Their aspirations will drive us into the future and will navigate how we as the Council better serve mana whenua and Māori.

#### **Tākai Here Partnership Agreement**

We are now giving full effect to the strategic changes made, this year welcomes the establishment of a Māori Ward, we have paid mana whenua representatives at each Committee table, providing a strong mana whenua voice at a decision-making level.

In April we embarked on a new partnership journey with Te Rangapū Ahikāroa, a new body of mana whenua partners representing Te Āti Awa, Taranaki Whānui and Ngāti Toa Rangatira. The signing of this new partnership agreement sets a new direction for our partnership with mana whenua. This agreement speaks to the accountability of each partner ensuring that they meet their responsibilities, uphold the shared values, and keep the partnership strong and moving forward, together.

We have set our focus on dedicating resources and championing the mana whenua priorities across a range of sectors. This can be seen in our recently adopted strategies. The Economic Wellbeing strategy includes a focus on partnership with Te Matarau a Maui and opportunities for Māori in digital technology, storytelling including the film and screen sector. The Spatial Plan - He Mahere

Mokowā mō Pōneke, Aho Tini 2030 - Arts Culture and Creativity Strategy and our Strategy for Children and Young People will provide a firm foundation that will lift the city's cultural wellbeing and strengthen the presence of mana whenua across the city.

**Looking forward**

To help us move forward with these intentions, we have the key aspirations of mana whenua and Māori at the centre of this change. We will give effect to these with the support our partners, Council Controlled Organisations, stakeholders and the wider community.

1. Te whakatairanga i te ao Māori – Enhancing and promoting te ao Māori
2. Tiakina te taiao – Caring for our environment
3. Te whakapakari pūmanawa – Building capability
4. He whānau toiora – Thriving and vibrant communities

The four priority areas will guide the way we better serve mana whenua and Māori, they will shape programmes, organisations and strategic directions. We are committed to ensuring that we will invest in the capability of mana whenua and Māori so that they can lead these priorities across organisations. We also acknowledge the need to invest in our organisations' own cultural capability to drive and deliver on these priorities with co-governance at the forefront.

We are now focussed on developing the action plan for Tūpiki Ora where we will start to see a range of activities and initiatives across the Council and Council Controlled Originations that will deliver on achieving the vision and priorities of mana whenua and Māori.



## Annual Plan 2022/23 - key changes from Our 10-Year Plan

The 2022/23 Annual Plan is the first annual plan of the current Long-Term Plan (LTP), outlining the work being done in year 2 of the 2021-31 LTP. While the Annual Plan is dominated by the continued delivery of the 2021-31 LTP priority objectives and implementation of Council strategies, there are a number of changes from the Long-Term Plan. This section outlines the main changes in Annual Plan 2022/23 from what was outlined in Our 10-Year Plan 2021-31.

### Changes since 2021-31 LTP

While we plan to continue to deliver on the programme of work set out in the 2021–31 LTP, there are areas where some changes have been made.

We have had to reschedule parts of our ten-year capital programme in response to market and supplier constraints. This has involved shifting the timing of some projects back to give time for delivery capacity to be increased. For example, the delivery of our housing upgrade programme and some parts of the bike network, such as Evans Bay cycleway, will be extended. Overall, we still plan to deliver the full ten year programme of work as set out in the LTP.

We have also changed our approach to funding of three waters depreciation as a result of significant increases in the valuation of our three water infrastructure. This change is to rates fund three waters depreciation in 2022/23 based on the quantum of the renewals capital programme. This would ensure that the renewal programme is fully funded but mitigate the impact on increasing infrastructure valuations on 2022/23 rates.

In response to increasing housing affordability concerns, we have also increased the level of support for City Housing tenants by putting in place a rent freeze for 2022 and providing extra support for tenants with high affordability issues. This support represents an additional cost of around \$2.4m and will be funded from City Housing’s cash reserves, with no impact on council rates. Following agreement to the establishment of a Community Housing Trust for the future management of City Housing, work will now also begin in 2022/23 on the detailed design and establishment of a Trust.

Parking is another area where there has been change. We will not go ahead with our previous plan to extend on street paid parking time limits on Friday and Saturday evenings or to extend charging for on-street parking through to 10pm on Friday and Saturday. Parking changes will have a \$0.7m impact on the 2022/23 budget, equivalent to around a 0.2% rates increase.

We approved a pandemic support plan in February to support the retail and hospitality sector impacted by the effects of Omicron. Some aspects of this plan will extend into 2022/23, including discounts to hospitality licencing fees. The plan will cost approximately \$1.3m in 2022/23, equivalent to a rates increase of approximately 0.3%.

We have established a \$20.0m Environmental and Accessibility Performance Fund that provides financial support to encourage the development of environmentally sustainable and/or universally accessible buildings in Wellington. This will replace our existing green building remission in our Development Contribution policy. We see it as a more effective tool to support our goal of becoming a carbon neutral city by 2050, supporting better building practices in our growing city. This fund would be debt funded as the uptake of applicants on the fund is unknown and due to that uncertainty, Council is not wanting to overrate ratepayers by using rate funding to initially build the fund up. There is also an overall benefit to the city from the fund that is appropriate to be spread over future years. Therefore, it is more appropriate to debt fund and spread the cost of the fund over a period of time. This means there would be no immediate financial impact in the 2022/23 year. The fund, including its size, will be reviewed as part of the 2024 LTP.



We will increase encroachment licence/lease fees next year. Fees would increase from \$13.33 to \$17.77 per m<sup>2</sup>. We will also undertake work to better understand different encroachment situations, including investigation of different valuation process, to provide better support for licence fee payers and improve the road stopping and sale process. This will be completed ahead of the 2024-34 LTP.

We have removed all charges for overdue library items to support improved accessibility to council libraries by removing the barrier that fines can present for some residents. Removal of these fines would remove around \$0.5m revenue from the budget resulting in an approximate additional 0.1% rates pressure in the 2022/23 year.

We have increased the level of funding for the upgrade of Khandallah summer pool in order for a full upgrade of the pool to be undertaken in the 2023/24 year. This involves an additional \$7m capital budget which would impact rates in future years by around \$0.6m or 0.1% rates increase.

Finally, we plan on further support to our restorative planting programme through better site preparation and maintenance in order to improve the survival rates of the 100,000 native plants we plant every year. This extra support will cost around \$0.4m a year or about a 0.1% rates increase.

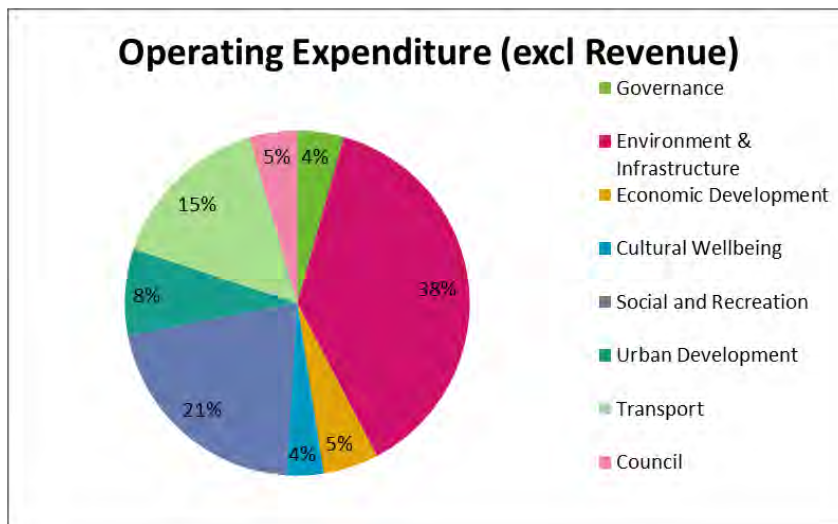
## Financial summary

### Operating Expenditure

The cost of delivering and running Council services in 2022/23 is forecast to be \$726m or \$8.99 per resident per day. This is a \$119m increase on 2021/22, which primarily relates to increased depreciation due to new assets and a property revaluation, and inflation on contracts and personnel costs.

# \$726m

Operating spending for 2022/23



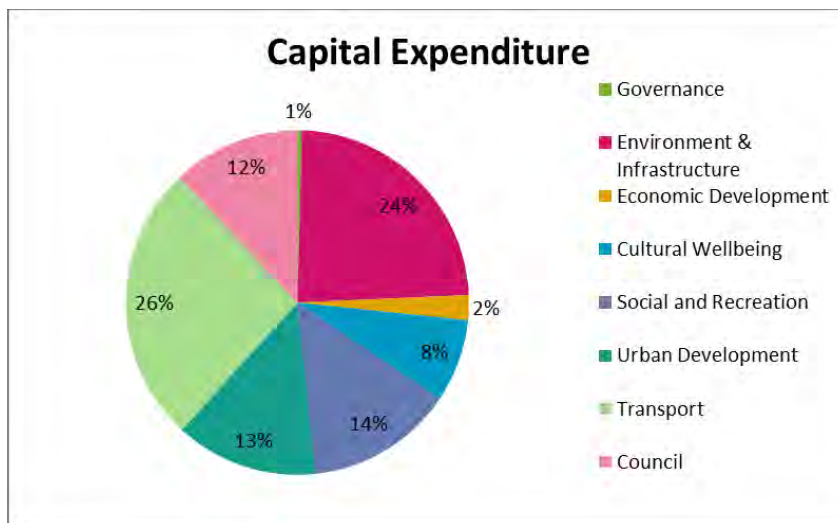
*The graphic illustrates the proportion of planned operational expenditure in each of our strategic activity areas. Our Priority areas ensure we allocate spending based on what is important. The biggest area of organisational expenditure is Environment & Infrastructure at 38 percent of the total gross operating expenditure of \$726 million; Social and Recreation and Transport follow at 21 percent and 15 percent respectively; Economic development, Urban development, Council organisational projects, Arts and Culture, and Governance follow, each with under 10 percent of total operational expenditure*

**Capital Expenditure**

Capital expenditure is used to renew or upgrade existing assets or to build new assets to provide a higher level of service or account for growth. Our assets include buildings, roads and footpaths, water, stormwater and wastewater pipes, libraries, swimming pools, and sportsfields. We have a significant capital expenditure programme in place, with \$421m planned for 2022/23. The 2022/23 programme includes significant investment in our water, stormwater, wastewater and transport networks, and multi-year projects to earthquake strengthen the Town Hall and St James Theatre, and the city’s new Convention and Exhibition Centre. The \$421m of capital expenditure for 2022/23 is an increase in what was included in the 10-Year Plan (\$363m). The variances primarily relate to the refinement of costs and timings on major building and water projects.

**\$421m**

Capital spending for 2022/23



*The graphic illustrates the proportion of planned capital expenditure in each of our activity areas. Our Priority areas ensure we allocate spending based on what is important. The biggest area of capital expenditure is Transport at 26 percent of the total capex of \$422 million; Environment and Infrastructure, Social and Recreational, and urban development follow at 24%, 14%, and 13% respectively; Cultural Wellbeing, Economic development and Governance follow each with under 10 percent of total capital expenditure. Urban Development are higher than usual this year, because of construction costs for the Town Hall and St James Theatre seismic strengthening, and the new Convention & Exhibition Centre.*

**Balanced budget**

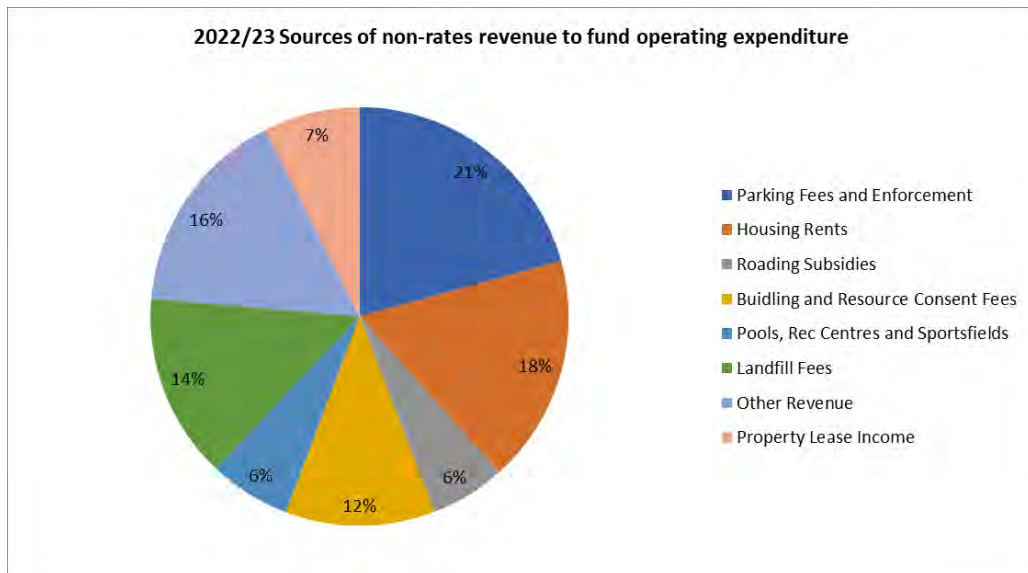
During the period of consultation on the 2022/23 Annual Plan, new information on the increase in value on the water, sewerage and stormwater networks (commonly referred to as Three Water assets) was completed and this saw an increase in the revaluation of these assets by 80% since the

last revaluation two years ago. The depreciation on these assets would normally be fully funded by rates but occurred after consultation of the 2022/23 Annual Plan, and would have seen an additional 9% increase on rates that hadn't been consulted on. Council has resolved to instead fully fund the renewal of the Three Waters assets for 2022/23 and 2023/24 financial years, rather than fully fund the increased level of depreciation.

**Where the funding comes from**

The Council uses a several mechanisms to fund our operational and capital expenditure. Rates are expected to fund 58.5% percent of our operational expenditure. We also collect revenue from fees and user charges, grants and government subsidies and other sources such as interest and dividends from investments. Capital expenditure is funded through borrowings, grants and government subsidies, and development contributions for projects that aim to meet the demands from growth.

2022/23 includes a range of increases to fees and charges to maintain the balance between how much is funded by users of some services and how much is funded by rates, as outlined in our Revenue and Financing Policy. We are expecting a total \$11m in increased revenue from fee increases, the most significant increases being in road encroachment licence fees, more information on which can be [found on page x.](#)



*The graphic illustrates the non-rates revenue to fund operating expenditure. The biggest area of non-rates revenue is Parking fees and enforcement at 21 percent of the total non-rates revenue of \$193m; Housing rents, Other revenue, Landfill fees and Building and Resource consents fees follow at 18%, 16%, 14% and 12% respectively; Property lease income, Pools, rec centres and sports-fields and Roading subsidies follow each under 10 percent of total non-rates revenue.*

### Explaining our borrowing position

We borrow to fund upgrades to our assets or to invest in new infrastructure. This allows us to spread the cost of funding this expenditure over the multiple generations that will benefit from the investment.

For 2022/23 net Borrowings are forecast to be \$1,335m at the end of the year, equating to 204 percent of our operating income compared to the Council imposed cap of 225 percent.

# \$1,335m

*Total borrowings are forecast to be \$1,335 million at the end of 2022/23, this equates to 204 percent of operating income.*

### Explaining your rates

#### What is the plan for rates?

We set our rates based on the needs of the community, demand for services and affordability in rates. Your money helps us deliver more than 400 day-to-day services and pay for the borrowings used to fund big capital projects across Wellington. This year the budget includes a rates increase after growth in the ratepayer base of 8.0 percent. This is below the 9.1 percent after growth forecast in the 2021-31 Long-term Plan. In total the council will collect \$425m (GST exclusive) of rates during 2022/23.

#### Repayment of debt

A portion of the increase in rates for 2022/23 relates to previous decisions to minimise the rates requirement in 2020/21 and 2021/22. These years saw increased costs to manage the impacts of the 2016 earthquakes (such as establishment of temporary libraries in the central city) and reductions in non-rates revenue due to the impacts of COVID-19 restrictions. The council decided to fund these unexpected costs through debt in order to minimise the impact on rates in those years.

Now as that debt is repaid along with the repayments relating to other debt funded expenditure (Weathertight Homes), about \$12.6m of the rates requirement for 2022/23 (or around 3.2%) relates to paying back Council debt.

#### What are rates for, and why are they important?

In the same way our taxes contribute to the running of the country, rates are important to ensure Wellington continues to function.

Some of the services and facilities that Wellingtonians receive through their rates include:

- 364 litres of drinkable water piped per resident per day
- 729 km of stormwater pipes maintained and upgraded
- 900km of footpaths maintained and upgraded
- 107 playgrounds maintained and upgraded
- 223,893 calls answered by our Contact Centre staff
- 1,077km of wastewater pipes maintained and upgraded
- 754,300 resources in City Archives.
- 104,481 native plants planted with the community
- 780,825 items can be borrowed from our 14 libraries
- 371km of walking and biking tracks maintained
- 203 sqm of open space per Wellingtonian

- 19,869 streetlights operated

#### *Revaluations and rates*

Every three years, the council updates its records of city property values to reflect current values, and 2021/22 is a revaluation year, which means the new values apply to properties from the 2022/23 rating year. The outcome of this revaluation is the share of rates each ratepayer contributes is recalculated based on updated property values. Revaluations do not change the overall level of rates collected. It does change how much of the total share each ratepayer contributes.

Because of this, while the total rates increase is an average 80 percent after growth, ratepayers whose properties have increased in value more than the average will see a higher percentage increase in their rates. Equally, ratepayers whose properties have increased in value less than the average will see a lower percentage increase in their rates.

The exact rates change for each ratepayer will vary depending on their individual circumstances. Revaluations impact commercial properties differently than residential, and as a result can impact the share of rates that each sector funds. We are updating the commercial rating differential in order to maintain the same proportional share of rates between residential and commercial ratepayers. While this involves an increase to the current 3.25 rating differential to 3.7 it will ensure that both residential and commercial sectors pay an equal percentage increase in rates. If the rating differential remained unchanged, then the residential sector will contribute 59% of the general rates requirement rather than the 56% in previous years. This is the equivalent of transferring \$8.5m additional rates to Base ratepayers and reducing the impost of Commercial ratepayers.

## Part B: Our work in detail

Most of the work we do and the services we provide sit in seven strategic areas.

In this section we outline each strategic area, including an overview of the groups of activities, what's changing since we released Our 10-Year Plan, other key projects, performance information and what it costs. The Annual Plan 2022/23 focuses on changes to year three of Our 10-Year Plan, with some updates on other key projects. For details of our 'Business-As-Usual' services, see Our 10-Year Plan 2021-31 on our website, [wellington.govt.nz](http://wellington.govt.nz).

Our work is grouped into seven strategic areas are:

- **Governance:** We seek to build confidence in our decisions by being as transparent as possible, clearly communicating the reasons for the things we do and encouraging public participation in the decision-making process. We also hold ourselves accountable for our role in Te Tiriti o Waitangi, and leading the city's response to the climate and ecological emergency.
- **Environment & Infrastructure:** The Council's environment portfolio is large and diverse, encompassing beaches and green spaces, waste reduction and energy conservation, as well as water services (drinking and tap water, wastewater and stormwater), and conservation activities.
- **Economic development:** We support Wellington's economic growth by supporting high-quality events and promoting tourism, attracting and supporting business activity, and delivering major economic development initiatives.
- **Cultural wellbeing:** We provide opportunities to develop the city's cultural scene and build engaged and curious communities. We provide support for galleries and museums, community arts and cultural support, and arts partnerships.
- **Social and recreation:** We encourage active and healthy lifestyles, deliver quality recreation and social services, provide access to housing for those in need, and carry out public health functions.
- **Urban development:** We ensure the city is liveable and attractive as our population grows and challenges around seismic risk and climate change increase. We set urban policy, protect the city's unique character and heritage, provide building and development control and facilitation services, and mitigate earthquake risk.
- **Transport:** We manage, maintain and improve the city's transport network so that people can access places easily, safely and in low carbon ways. We look after hundreds of kilometres of city accessways, footpaths, bike lanes and roads, including parking facilities, traffic signs and signals, street lighting and pedestrian crossings. Greater Wellington Regional Council (GWRC) is responsible for the public transport system. We support GWRC by maintaining and providing space on the street network, e.g. bus lanes for public transport to operate.

### Impact of COVID-19

The COVID-19 pandemic impacted our business during 2021/22 financial year. Ongoing supply chain and labour availability constraints coupled with unpredictable pandemic alert level changes has meant delays in project progress and rescheduling of completion dates. In addition, with many people still working from home and not commuting into the city as frequently, many retail business continued to experience a loss of income. This has also impacted the Council's revenue earning services for example parking, resulting in the Council receiving less income and more borrowing to fund services. While we aim to continue to deliver what is planned in this Annual Plan, the

uncertainty of the pandemic impact remains, even with mandates easing back. This uncertainty includes staff availability, material availability to commence work and postponed start times for projects which impacts promised completion dates.



## **Pārongo ā-tāone | Governance**

*We aim to build trust and confidence by being open, transparent and accountable.*

This strategic area includes activities which enable democratic decision making. We encourage public input and involvement to ensure all points of view and relevant information are considered when we make decisions on behalf of Wellingtonians.

Our partnerships with mana whenua recognise their special place in the city's history and their relationship with its land, waterways and other parts of its environment.

### **In this section**

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are two groups of activities in this section:

1.1 Governance, information and engagement.

1.2 Māori and mana whenua partnerships.

### **What we do – an overview**

- Run local elections
- Schedule, run and record Council and Committee meetings and decisions
- Communicate with the public about our services and decisions
- Create, update and review policies, bylaws and strategies to guide the city's decision makers
- Make submissions to Central Government legislation relevant to Council's work
- Partner with mana whenua and Māori
- Work to revitalise te reo Māori through our Te Taihu action plan
- Maintain our City Archives
- Run Arapaki Service Centre and the Contact Centre
- Respond to Local Government Official Information and Meeting Act requests
- Provide insights, data and analysis and engaging the city on the challenge of climate action
- Support communities to plan for climate change impacts

### **Key highlights for 2022/23**

In 2022/23 we will continue to operate our Governance services, which include working with our mana whenua partners, operating our Arapaki Service Centre and our call centre, supporting elected members and seeking public feedback through consultations.

### **Local Elections 2022**

The 2022 local elections are fast approaching with voting closing on 8 October 2022. Planning work for the elections has been taking place since late 2021 to help ensure that Wellingtonians are able to have their say on the leaders of our city.

A key change from previous elections is the new Māori ward – Te Whanganui-a-tara Māori Ward. Wellingtonians enrolled on the Māori roll will vote in this ward instead of the ward for the area they live in. Officers are working hard to make sure that this change and its implications are clearly communicated.

We are establishing an election hub on Manners Street where you will be able to drop off ballots, cast special votes, and find out more information about the election and enrolling to vote.

The election project doesn't finish on voting day either. Also included is the transition to the new Council with the inauguration ceremony and a comprehensive induction programme for incoming elected members.

### Strategy and Policy work programme

Under our Governance area we work to ensure we have up-to-date bylaws, policies and strategies to help guide the city. This will include agreeing a work programme with the incoming Council as well as: a Community Facilities Network Plan and supporting policies; Dog Control and Domestic Animals Policies and bylaws; alcohol management; ongoing review of our financial policies to support our long-term planning, and our water and waste policy framework.

Many of our policies, plans, bylaws and strategies are legally required to be updated in a set time frame and we consult with the public when they are reviewed. This work is made available through the committee forward programme, which is regularly reviewed by Councillors.

### What it costs

2022/23 Annual Plan	\$000
Operating expenditure	30,969
Capital expenditure	1,789

### Key performance indicators for 'Governance'

The following are key performance indicators and targets that we use to measure success in delivering Governance services.

Performance measure	Target 2021/22	Target 2022/23
<b>1.1 Governance, information and engagement</b>		
Facilitating democratic decision-making		
Meeting and committee agendas (%) made available to the public within statutory timeframes	100%	100%
Percentage of residents who have adequate opportunities to have their say in Council activities	Baseline	Improve on current state
Percentage of residents satisfied with the process by which Council makes decisions	Baseline	Improve on current state
Providing information and a point of contact		
Percentage of residents that can easily access Council information (via website, libraries, social media, newspapers etc)	55%	55%
Contact Centre – Contacts responded to within target timeframes (all)	90%	90%
Official information requests (%) handled within Local Government Official Information and Meetings Act legislative timeframe	95%	95%
<b>1.2 Māori and mana whenua partnerships</b>		
<b>Customer focus</b>		
Number of annual initiatives delivered that strengthen WCC relationships, presence and intelligence so that Māori are engaged in Wellington's future	Measure to be defined	To achieve
<b>Note: Baseline targets – as some of these measures are new, the first year results will be used to establish targets for future years</b>		

Our LTP also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked

over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, [wellington.govt.nz](http://wellington.govt.nz)

## **Te Taiao me te Hanganga | Environment & Infrastructure**

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

The Council's environment portfolio is large and diverse, encompassing beaches and green spaces, waste reduction and energy conservation, as well as the three waters services (drinking and tap water, wastewater and stormwater) and support for our Wellington Zoo and Zealandia.

### **In this section**

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are six groups of activities in this section:

2.1 Gardens, beaches and green open spaces.

2.2 Waste reduction and energy conservation.

2.3 Water.

2.4 Wastewater.

2.5 Stormwater.

2.6 Conservation attractions.

### **What we do – an overview**

- Maintain more than walking and biking tracks
- Ensure the Botanic Gardens are cared for and maintained to a high standard
- Conserve the natives planted in Otari-Wilton's Bush
- Maintain 4,073 hectares of open green space including parks and sportsfields
- Through Wellington Water, provide clean and safe drinking water, and wastewater and stormwater services
- Support Wellington Zoo and Zealandia in their conservation and visitor attraction work.
- Work to make Council facilities and services more energy efficient
- Encourage waste minimisation and actively divert more than 15,000 tonnes of waste from the Southern Landfill
- Operate the Tip Shop and Recycling Centre at Southern Landfill
- Develop the Council's greenhouse gas emissions reduction plan
- Develop, maintain and renew green infrastructure to support our communities and storm water networks
- Help make the city more resilient and the environment more able to cope with shocks
- Work to enhance Wellington's biodiversity, including extensive trapping with Predator Free and Capital Kiwi

### **Key highlights for 2022/23**

We continue our ongoing programme of renewals and upgrades to our gardens, beaches and open green spaces. This area includes park infrastructures, trails and walkways around Wellington.

We will also continue to renew and upgrade the city's water, stormwater and wastewater network system including existing reservoirs, while working on key projects including Omāroro Reservoir and Sludge Minimisation, and waste minimisation. For more information on the Omāroro Reservoir and Sludge Minimisation progress, see 'Part One – Introduction: Priority Investment Projects and Programmes' section.

We are also building on our refreshed Council greenhouse gas inventory to build our carbon reduction plan, including a climate smart infrastructure policy, electrifying our light vehicle fleet, and reducing the energy (and carbon) consumption of Council buildings.

#### *Waste Management and Minimisation Plan*

We will continue to implement the current Regional Waste Management and Minimisation Plan (WMMP) which is due to expire in 2023. The collaborative plan formed by 8 councils of the Wellington Region, identifies a range of actions to promote effective and efficient forms of waste management and minimisation. The plan has set a waste reduction target for the region to reduce the total quantity of waste sent to landfill by one-third over 10 years (by 2026).

A updated Plan is due in 2023, which will include extensive community, stakeholder and partner engagement. The new plan will focus on moving Wellington City towards a circular economy with greater product stewardship and improved waste management practices. This will allow us to investigate ways of reducing waste from both household and commercial sectors within the city.

This will include a review of the kerbside waste service system, investigations into the expansion of our resource recovery network including organic waste processing options.

#### *Kerbside Waste Review*

A review of the Council's kerbside waste and recycling servicing is being undertaken that will encompass a review of all Council kerbside waste related servicing available to residential dwellings and multi-unit dwellings within the Central Business District area and surrounding suburbs. It will also consider commercial waste servicing needs within the Central Business District collection area.

Following the consideration of community feedback in mid-2022, the Council's preferred kerbside servicing package can then be publicly consulted during both the Annual Plan and WMMP engagement processes in 2023.

We will also look into food waste collection service, based on the outcomes of the Para Kai - Food Waste Minimisation recent trial, which has been extended by 8 months.

#### *Resource recovery*

We are also preparing a business case that will explore the role, relevance and potential feasibility of new resource recovery infrastructure, and the expansion of existing facilities across Wellington City. The purpose of this work is to establish a clear picture of the way forward for resource recovery expansion within Wellington City.

#### *Southern Landfill extension*

The new landfill will be constructed on top of an existing landfill at the Southern Landfill, providing space for about 15 –20 years of residual waste disposal based on the current volumes. As future waste minimisation initiatives are implemented, this landfill will be able to provide a waste disposal service beyond 20 years. A capital investment of \$42.5m phased over the life of the landfill (15-20 years) with an annual operating cost of \$4m. Revenue from the landfill gate fees would cover these operating costs and the current council-provided waste management and minimisation services. Facility likely to be operational by June 2026 as consenting risks and construction risks well understood.

The proposal went out to the community for consultation in April and May 2022. In the coming year we will be focused on the resource consenting for the extension for construction to occur between 2024 and 2026.

### *Ōtari-Wilton's Bush*

The entry walkway to the Ōtari Visitor Centre Whakapiripiri is being widened to be more inviting and accommodating to visitors and for welcomes to the site. Design work is currently underway and it will be constructed during the 2022/23 financial year to a current budget of \$103K and will be completed in the 2022/23 financial year.

The Ōtari Nursery and Lab is at initial scoping stage as the nursery will be reconfigured to be more functional and allow restricted public access as much of the conservation work undertaken by Ōtari is in the nursery. Included in this work is a purpose-built plant conservation laboratory, a regional threatened species seedbank and support facilities required for the nursery operations. More planning and design to come in the upcoming years.

### *Huetepara Park*

Planning and design work for the Huetepara Park project began in 21/22 and will continue into 2022/23. The proposed plan will offer an improved visitor experience and public space on the eastern end of Lyall Bay, which may include public toilets, raised boardwalks and other amenities. Funding of 1.3 million is allocated over the next two years.

### *Botanical Gardens Begonia House Precinct*

Planning for investment to the Begonia House, cage and associated service buildings will begin in 2022/23. The work will include renewals and refurbishments of the buildings, in order to meet the levels of service and visitors' expectations. We wish to treat this project as a 'precinct' development and explore concepts for better integrating the Begonia House, Café, retail operation and the public toilets as well as creating a better venue for hirers. Design work begins from July 2022 and will be completed by June 2023. 2023/24 will see consents being sought and tenders for construction being issued. The Begonia House will close for construction works from July 2024 and provisionally reopens July 2026. Budget \$140K and the design will be completed in the 2022/23 financial year.

### *Coastal renewals*

We are continuing our programme of restoration, and renewal of coastal assets. The upgrade of Seatoun Wharf is expected to be completed in 2022. Planning work will continue on the renewal of the Cog Park and Karaka Bay Jetties', while the Patent Slip jetty will be partially removed.

### *Wellington Zoo and Zealandia*

Wellington Zoo's new Snow Leopards enclosure construction is well underway and expected to be completed in December 2022. The enclosure will house New Zealand's only Snow Leopards and the area will be multi-dimensional with multiple viewing, play, and interactive areas for visitors to explore. This is one of many new projects happening at the zoo, including the recent arrival of two young male lions from Copenhagen.

Zealandia will see their new Tanglewood House be completed by mid-2023. The Tanglewood House, cooperation with the Tanglewood Foundation, will be a purpose-built facility that will future-proof Zealandia with the staff, volunteer, educators, and researcher accommodation that it needs. It will also allow academics and interns to meet and work together.

### What it costs

2022/23 Annual Plan	\$000
Operating expenditure	244,001
Capital expenditure	100,762

### Key performance indicators for 'Environment & Infrastructure'

The following are key performance indicators and targets that we use to measure success in delivering urban developments.

Performance measure	Target 2021/22	Target 2022/23
<b>2.1 Parks, beaches and open spaces</b>		
<b>Utilisation</b>		
Residents (%) satisfied with the quality and maintenance of green open spaces (local parks and reserves, playgrounds, botanic gardens, beaches and coastal areas, walkways and trails, waterfront, forested areas and green belts)	90%	90%
<b>Affordability</b>		
Cost to the ratepayer per visitor to the Wellington Botanic Gardens and Otari-Wilton's Bush	<\$7.00	<\$7.00
<b>Protect and enhance our biodiversity</b>		
Plant 3 million native plants by December 2030	2,107,000	2,213,000
Hectares of high-value biodiversity sites covered by coordinated pest management	371	386
<b>2.2 Waste reduction and energy conservation</b>		
<b>Waste minimisation activities</b>		
Volume of waste diverted from landfill (tonnes)	20,000	20,000
Residents (%) satisfied with kerbside recycling service	85%	85%
Users (%) satisfied with waste collection service	90%	90%
<b>Energy conservation</b>		
WCC Group GHG emissions (tCo2-e) decreasing	Achieve 2050 target	Achieve 2050 target
Progress on achievement of Te Atakura implementation plan	Measure to be defined	To Achieve
<b>2.3 Water</b>		
<b>Clean and safe</b>		
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance criteria)*	Compliant	Compliant
Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 5 protozoal compliance criteria)*	Compliant	Compliant

<b>Meeting customer expectations</b>		
Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections*	<20/1000	<20/1000
<b>Continuity of supply and resolution of faults</b>		
Water supply interruptions (measured as customer hours)	Monitor trend	Monitor trend
Median response time for attendance for urgent call outs* (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	≤60 min	≤60 min
Median response time for resolution for urgent call outs* (b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤4 hours	≤4 hours
Median response time for attendance for non-urgent call outs* (c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	≤36 hours	≤36 hours
Median response time for resolution for non-urgent call outs* (d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	≤5 days	≤5 days
<b>Efficiency and sustainability</b>		
Percentage of real water loss from networked reticulation system *	<17%	<17%
Average drinking water consumption resident/day*	365Ltr	365Ltr
<b>*denotes mandatory measures</b>		
<b>2.4 Wastewater</b>		
<b>Compliance and sustainability</b>		
Dry weather wastewater overflows, expressed per 1000 connections* The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.	0	0
Compliance with the resource consents for discharge from the sewerage system, measured by the number of: a) abatement notices, b) infringement notices, c) enforcement orders and d) convictions received by the territorial authority in relation to those resource consents*	Nil	Nil
<b>Meeting customer expectations</b>		
The total number of complaints received by the territorial authority about any of the following: (a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system*	<30/1000	<30/1000

<b>Continuity of service and resolution of faults</b>		
Median response time for wastewater overflows* (attendance time) Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site	≤1 hour	≤1 hour
Median response time for wastewater overflows* (resolution time) (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤6 hours	≤6 hours
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	≤0.8	≤0.8
<b>*denotes mandatory measures</b>		
<b>2.5 Stormwater</b>		
<b>Continuity of service and resolution of faults</b>		
Number of pipeline blockages per km of pipeline	≤0.5	≤0.5
Number of flooding events*	≤2	≤2
Number of habitable floors per 1000 connected homes per flooding event* For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) * The regional consistency for habitable floors affected in a flooding event is 10 per event, however as the DIA measure is per 1000 properties connected, we have calculated this based on connections in 20/21.	≤0.13	≤0.13
Median response time to attend a flooding event* The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	≤60 minutes	≤60 minutes
Compliance with the resource consents for discharge from the stormwater system, measured by the number of: a) abatement notices, b) infringement notices, c) enforcement orders and d) convictions*	Nil	Nil
Days (%) during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use	90%	90%
Monitored sites (%) that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml	90%	90%
<b>Meeting customer expectations</b>		
Number of complaints about stormwater system performance per 1000 connections* The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	<20/1000	<20/1000
Residents (%) satisfied with the stormwater system	75%	75%
<b>*denotes mandatory measures</b>		



<b>2.6 Conservation attractions</b>		
<b>Wellington Zoo</b>		
Achievement of measures within Wellington Zoo’s Statement of Intent	Refer SOI # achieved	Refer SOI # achieved
<b>Karori Sanctuary Trust (Zealandia)</b>		
Achievement of measures within Karori Sanctuary Trust (Zealandia) Statement of Intent.	Refer SOI # achieved	Refer SOI # achieved

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## Whanaketanga ōhanga | Economic development

*We aim to support economic growth to enhance quality of life.*

We support Wellington's economic growth by supporting high-quality events and promoting tourism, attracting and supporting business activity, and delivering major economic development initiatives.

These activities make Wellington a more vibrant place to live. They improve residents' quality of life, prosperity, identity and the opportunities available to them.

### In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There is one group of activities in this section:

3.1 City promotions and business support.

### What we do – an overview

In collaboration with the WellingtonNZ and others we:

- Promote Wellington as a tourist destination
- Support high-quality events such as concerts, festivals and sports matches
- Promote Wellington as a tourist, conference and business destination
- Encourage the business community to work together through our Business Improvement Districts
- Operate venues and convention centres
- Support large and small scale economic growth programmes through grant funding
- Deliver programmes that support businesses to reduce their carbon emissions, and support innovators to develop new climate reduction business opportunities

### Key highlights for 2022/23

#### City Recovery

We continue working with key stakeholders on practical solutions to address recovery issues and challenges. Early in 2022, Wellington was under traffic light setting (red) for Covid-19, while the anti-vaccine mandate protest happened at the same time. These factors were impacting a key commercial part of the city for a sustained period of time, with many Wellingtonians choosing to work from home. This led to a major impact on businesses, particularly retail and hospitality in the CBD.

To support struggling businesses to get through the challenging times, we had a \$2.3 million Pandemic Response Plan approved in February 2022 including: weekend parking discount and parking time extension, fourth quarter rates deferral for hospitality and retail businesses who own their building without penalty for six months, free outdoor dining permits, and reduction in licencing fees including annual food licencing fees and levy.

We will continue to work with key stakeholders including WellingtonNZ and businesses on the economic recovery.

#### Venue upgrades

Council, together with WellingtonNZ, is currently exploring venue upgrade design options, and the associated development costs, for both the TSB Arena and the Opera House. Once the initial scoping work has been completed, the options will come back for sign off.

### Development of the Economic Strategy

We recently adopted Economic Wellbeing Strategy, which articulates what needs to happen so Wellington can be a dynamic city with a resilient, innovative, and zero-carbon economy that provides opportunities for all while also protecting our environment.

This strategy identifies six strategic outcomes for the city to focus on implementing for the next 10 years:

- Sustainable business and career pathways;
- Transitioning to a circular and zero-carbon economy;
- A business-friendly city;
- Centre of creativity and digital innovation;
- Celebrate our Capital City status; and
- A dynamic city heart and thriving suburban centres

Each outcome has a set of approaches and accompanying priority actions which we will take and begin implementing it from 2022/23.

### What it costs

2022/23 Annual Plan	\$000
Operating expenditure	27,038
Capital expenditure	9,841

### Key performance indicators for 'Economic Development'

The following are key performance indicators and targets that we use to measure success in delivering economic development.

Performance measure	Target 2021/22	Target 2022/23
<b>3.1 City promotions and business support</b>		
<b>WREDA -WellingtonNZ*</b>		
WellingtonNZ is delivering direct value/ROI on our shareholders investment -Direct Economic Impact of WellingtonNZ's activities and interventions	\$150m	\$130m
<b>WellingtonNZ is shaping and amplifying the regional destination/brand story</b>		
Equivalent Advertising Value (EAV) from media activity	\$25m	\$20m
Value of expenditure generated from events (including business, performance and major events)	\$75m	\$75m*
The number of Wellington Region residents that attend events	500,000	500,000*
<b>* Attainment of these targets is dependent on COVID-19 alert levels and viability of events</b>		
<b>WellingtonNZ is supporting businesses to upskill and grow</b>		
Number of different business engagements in WellingtonNZ programmes	2,000	2,200

<b>Financial health</b>		
% of Revenue from commercial/non council funding and commercial activity (combined WellingtonNZ and CHQ)	30%	32%
Budget on track – income, expenditure and surplus	To budget	To budget
<b>Wellington Stadium Trust</b>		
Achievement of measures within Wellington Regional Stadium Trust (Sky Stadium) Statement of Intent.	Refer SOI # achieved	Refer SOI # achieved

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## Oranga ahurea | Cultural wellbeing

*We aim to strengthen and promote Wellington's unique cultural identity.*

We provide opportunities to develop the city's cultural landscape to build engaged and curious communities. We provide the key theatrical infrastructure for the performing arts as well as directly funding a number of galleries and museums, community arts and cultural events, and arts partnerships. We develop and deliver a range of city events, and support community events.

We're investing in the creative sector to maintain our position nationally and internationally as a connected and vibrant, capital.

### In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There is one group of activities in this section:

#### 4.1 Arts and cultural activities.

### What we do – an overview

- Planning, funding and in collaboration with the sector, running an extensive programme of events throughout the year, including signature events Matariki ki Pōneke and our Summer, Christmas, New Year and Waitangi events.
- Planning, funding and in collaboration with the sector, facilitating how the creative sector and artists contribute to Wellington's vitality, built infrastructure and cityscape.
- Funding creative sector organisations and projects.
- Supporting integral arts organisations and independent practitioners.
- Providing arts and cultural advice to the community.
- Leading and operating the Toi Pōneke Art Centre
- Maintaining the city art collection.

Through the Experience Wellington, operate six venues: Wellington Museum, Capital E, Cable Car Museum, Nairn St Cottage, Space Place and City Gallery.

### Key highlights in 2022/23

Many of the city's arts organisations, arts practitioners and associated independent contractors have been seriously affected by the COVID-19 pandemic. The hope is to see an improved year for Wellington's resilient, but heavily hit, creative sector. In the upcoming year, we are looking to revitalise the city in partnership with the creative sector.

As noted in our priority projects, Aho Tini 2030 is a bold strategy to lead us through the next ten years of innovation and creation in our city. Aho-Tini 2030 will guide the strategy of all our arts, cultural and creative activities over the next ten years, connecting communities through arts and culture, ensuring places and spaces for art and creativity and supporting a successful arts and creative sector. In 2022/23, we will continue to implement the Aho Tini three-year action plan, including where necessary realigning and reshaping programmes to align with Aho Tini 2030.

Central to Aho Tini is Aho Hononga, our partnership with Māori and mana whenua, which will enable mana whenua to tell their stories and ensure ngā toi Māori and te reo Māori are highly visible and part of the artistic, cultural and creative fabric of the city. In 2022/23 we will continue to build on this partnership including through the continued development of the Matariki ki Pōneke festival.

*Wellington Museum upgrade*

We are supporting Experience Wellington on earthquake strengthening at Wellington Museum. Following geotechnical assessments in 2021/22, both below and above ground strengthening options are being explored and costed. Strengthening work will make this category one heritage building more resilient and ensure its landmark status on the city’s waterfront.

At the same time any strengthening work is undertaken, Experience Wellington plans to renew the exhibition content to improve the visitor experience and enhance the way the Museum displays and tells the stories of Wellington’s rich history, including the stories of mana whenua.

**What it costs**

2022/23 Annual Plan	\$000
<b>Operating expenditure</b>	<b>24,121</b>
<b>Capital expenditure</b>	<b>32,855</b>

**Key performance indicators for ‘Cultural Wellbeing’**

The following are key performance indicators and targets that we use to measure success in cultural wellbeing, delivering and supporting events and festivals.

Performance measure	Target 2021/22	Target 2022/23
<b>4.1 Arts and cultural activities</b>		
<b>High quality experience</b>		
Attendees (%) satisfied with Council-delivered arts and cultural festivals	90%	90%
<b>Wellington Museums Trust</b>		
Achievement of measures within Wellington Museums Trust (Experience Wellington) Statement of Intent.	Refer SOI # achieved	Refer SOI # achieved
<b>Experience Wellington</b>		
Percentage of visitors who rate the quality of their experience (good or very good)	90%	90%

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## **Pāpori me te hākinakina | Social and recreation**

*We aim for strong, healthy communities.*

Our focus in this area is on recreation provision, social initiatives and community support, and public health and safety. People are at the heart of everything we do, from providing shelter and support to our most vulnerable residents to investing in infrastructure such as halls and sportsgrounds for the community. We try to make sure people have access to services and activities that contribute to opportunities for them to live healthy lifestyles, realise their potential, and enjoy their city.

### **In this section**

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are three groups of activities in this section:

5.1 Recreation promotion and support.

5.2 Community support.

5.3 Public health and safety.

### **What we do – an overview**

- Maintaining and upgrading sportsfields and playgrounds.
- Operating, maintaining and upgrading libraries, community centres, swimming pools and recreation centres
- delivering programmes that reduce harm and improve perceptions of safety; including graffiti management and working with partners to reduce family violence
- Ensure we are a welcoming and inclusive, tolerant and healthy city with a strong social infrastructure supporting its residents
- Work with external agencies to end street homelessness
- Provide social housing
- Promote a safe city for all through our regulation of alcohol licencing, food safety, and dog registration
- Provide a comprehensive programme of funding for several organisations delivering on social wellbeing outcomes
- Support activation of community spaces and places that improve local community resilience and connectedness
- Support communities to take climate action through education and funding (the Climate and Sustainability Fund, as well as Home Energy Saver assessments to support Wellingtonians to have warm dry homes)

### **Key highlights for 2022/23**

#### *Libraries*

In line with many other NZ and international libraries, we will remove overdue fines. We will be promoting this to welcome and reconnect with customers, including children, who may have stopped using the library due to outstanding fines on their card. Evidence from libraries who have implemented fines free find that usage increases, and return rates are similar to when charging fines.

We will also wipe any current debt from overdue fines for those users. This also means that no future allowances will need to be made for debt write-offs from unrecovered fines, streamlining staff time. Other fees and charges, such as DVD hire, or for a lost or damaged book, will still apply.

#### *Sustainable Food Initiative*

The initiative supports the social, environmental, and economic health of our city by creating a more sustainable and resilient food system in Wellington. We are developing an action plan which includes funding the delivery of food security efforts, supporting local food production, facilitating sustainable food system events, coordinating the Wellington Community Gardens Network, funding sustainable agriculture education courses, and supporting Wellington's food entrepreneurs. This work will continue in 2022/23.

Our Pandemic Recovery Plan identifies food security as a key component of the work programme over the next year and will have an emphasis on enhancing food security and access to healthy food.

#### *Youth Hub*

We are working in partnership with The Y (formerly known as YMCA, that will manage and operate the space) to design a Youth Hub in the central city for local rangatahi. A key outcome of the Pōneke Promise, the Youth Hub will be a place for young people to hang out, play and study. It will be fitted out with guidance from Youth Council and local youth organisations, and be operated by The Y in conjunction with Te Pokapū Hapori, a brand new community centre that opened in early May.

#### *Basin Reserve Master Plan*

The Basin Reserve is in the final stage of the redevelopment, with major upgrades completed to key infrastructure including the refurbishment of the Old Pavilion Stand, embankment toilet upgrades, media box extension, permitter fence and gate upgrades. Final redevelopment projects include Picket fence upgrade; Permanent camera platforms; Sightscreens upgrades; Ground lighting to support 24x7 access and additional groundsman storage.

#### *Recreation facilities*

A number of recreation facilities will receive upgrades, while new projects will commence from the second half of 2022, including the following:

- Turf Renewal for Wakefield Park and the National Hockey Stadium We will undertake the renewal of the synthetic turfs at Wakefield Park and the number 2 pitch at the National Hockey Stadium. Work will commence in October 2022 and be completed by February 2023.
- Freyberg Pool Freyberg Pool will have a planned maintenance closure. Work will include front of house improvements, lighting replacements, changing room improvements and the usual tile and plant renewals. Work is expected to be undertaken late 2022/early 2023.
- Planning will commence for the upgrade of Khandallah pool. The upgrade is currently being scoped, in conjunction with ideas from the community, with the appointment of a project director and guidance from a steering group. Work is currently budgeted for the 2023/24 financial year.
- Skatepark – Tawa Design and consultation on the Tawa Skate Park upgrade began in 2021/22, and work will commence onsite in Spring 2022.
- Kilbirnie Park We will commence master planning for the Kilbirnie Park precinct in 2022/23, which will review the existing facilities and amenities in the park precinct, and look at opportunities for improvement, including development of a destination skatepark. Design, consent and upgrade work is planned for 2023/24 and 2024/25.



*Poneke Promise*

There has been a heightened public concern around safety in the central city. In response, alongside our partners, we have developed a Social Contract for Wellington (the Pōneke Promise).

While many of the interventions will be through partnerships there are a number of programmes we will deliver to affect a positive change and improved safety outcomes. These include public space improvements around Te Aro Park including relocating the Te Aro Park public toilets across on Inglewood Place, streetscape improvements to Opera House Lane, Lukes Lane, Dixon Street and other tactical improvements such as to lighting along Courtenay Place.

We began work in June 2022 on transitional street upgrades on Dixon St between Taranaki Street and Cuba Street. This will involve footpath widening, safety improvements and the creation of “parklets” to encourage more people to inhabit the street space, through amongst other things working with businesses to create better outdoor dining opportunities.

As part of urban design improvements in Te Aro Park, we’re planning design changes to the western side and edges of Te Aro Park. The changes will be determined through a co-design process with mana whenua, which will then go out for public consultation late 2022. Construction is expected to start in 2023.

We are also supporting harm reduction programmes focused on reducing sexual violence and reducing harm related to alcohol. Initiatives include *Don’t Guess the Yes* campaign and working with partners to develop a *Safer Bars Action Plan*. We will also establish a managed community centre for city residents in the Te Aro Park area to support programmes and activities for local residents.

Interim Youth Hub to open in the central city and commencement of the Safer Venues project in May – a partnership to prevent sexual harm in licenced venues.

*44 Frederick Street Development*

The development on the corner of Taranaki and Frederick Street has begun, with the construction of 75 not-for-profit social housing apartments underway and expected to be completed by middle of 2024. Along with the apartment development, there will be restoration work on the heritage-listed Chinese Mission Hall. The building will be repurposed for community and commercial use. A park is planned to be built, which will connect with the two buildings and the wider area. Planning, consultation, and design of the park will happen over the next few years. This is one of two new Urban Parks identified as a target within the Green Network Plan adopted by council in May 2022.

**What it costs**

2022/23 Annual Plan	\$000
<b>Operating expenditure</b>	<b>107,976</b>
<b>Capital expenditure</b>	<b>58,754</b>

**Key performance indicators for ‘Social and Recreation’**

The following are key performance indicators and targets that we use to measure success in delivering social and recreation activities.

Performance measure	Target 2021/22	Target 2022/23
<b>5.1 Recreation promotion and support</b>		
<b>High quality experience</b>		

User satisfaction (%) - pools	Baseline	80%
User satisfaction (%) - recreational centres including ASB Sports Centre	Baseline	85%
User satisfaction (%) - sportsfields	85%	85%
<b>Affordability</b>		
Ratepayer subsidy per swim	<\$15.00	<\$15.00
<b>Basin Reserve</b>		
Achievement of measures within <b>Basin Reserve Trust</b> Statement of Intent.	Refer SOI # achieved	Refer SOI # achieved
<b>5.2 Community Support</b>		
<b>Affordability</b>		
Cost to the ratepayer per library transaction	Baseline	Maintain
<b>Utilisation</b>		
Utilisation of Leisure Card (increase in number of active users)	Baseline	Increase by 2%
<b>Customer focus</b>		
User satisfaction (%) with community centres and halls	New	90%
User satisfaction (%) with library services	90%	90%
Occupancy rate of available housing facilities	95%	95%
Tenant satisfaction (%) with services and facilities (includes neutral)	90%	90%
<b>5.3 Public health and safety</b>		
<b>Timeliness</b>		
Alcohol licences –premises inspected within target timeframes (%)	100%	100%
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	100%	100%
Graffiti removal – response time frames (%) met	80%	80%
Dog control - response time frames (%) met	100%	100%
Public toilets – response time frames (%) met	95%	95%
<b>Hygiene standard</b>		
Toilets (%) that meet required cleanliness performance standards	95%	95%
<b>Note: Baseline targets – as some of these measures are new, the first year results will be used to establish targets for future years</b>		

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## Tāone tupu ora | Urban development

*We aim for a compact, resilient and attractive city.*

Our work in this area includes enhancing CBD public space, making improvements to the waterfront and suburban centres, developing public spaces such as urban parks and squares, looking after heritage in the city, assessing and issuing building and resource consents, ensuring earthquake-prone buildings are strengthened, and planning for the city's development.

These activities matter to the lives of individual Wellingtonians and to the community as a whole. They enable the city to grow while retaining its unique sense of place and liveability. They also provide the opportunity for people to live, work and play in an urban environment that is attractive and sustainable.

### In this section

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are two groups of activities in this section:

- 6.1 Urban planning, heritage and public services development (including waterfront development).
- 6.2 Building and development control.

### What we do – an overview

- Plan for the future growth of the city
- Design and build upgrades to the city and suburbs, for example laneway and suburban centre upgrade projects
- Work to make Wellington more accessible
- Ensuring infrastructure is in place for current and future housing and business demand
- Enhance the CBD public and street space, urban parks and squares
- Support the preservation of the city's heritage buildings
- Develop and maintain the Wellington waterfront
- Undertake the regulatory functions for the built environment, including issuing Resource and Building Consents
- Assess earthquake prone buildings and set times for strengthening work
- Facilitate and identify major development opportunities in the city

### Key highlights for 2022/23

We will establish a new housing and major developments facilitator role that will case manage the larger and more complex developments in the city. Along with directly delivering more affordable rentals in the city in partnership with building owners. We also plan to continue to build capacity and capability in our Urban Development teams to support LGWM and the housing development opportunities that will stem from the programme.

### *Environmental and Accessibility Performance Fund*

We established a \$20m Environmental and Accessibility Performance Fund that provides financial support to encourage the development of environmentally sustainable and/or universally accessible buildings in Wellington. This replaces our existing green building remission in our Development Contribution policy. We see it as a more effective tool to support our goal of becoming a carbon neutral city by 2050, supporting better building practices in our growing city.

### *Town Centre upgrades*

Beautification work on suburban centres will continue through to the next year. This includes greening and development of spaces where people can come together, relax and enjoy our city. Some work will be done in conjunctions with other projects, for example, a town Centre upgrade alongside the safety improvements on The Parade, Island Bay. Community co-design will continue, and construction will commence of the Island Bay and Berhampore Town Centre upgrades. These projects aim to improve the community enjoyment of the centres.

Karori Town Centre project started in April 2022 and is expected to be completed by late 2022. The town centre public space upgrade will improve the attractiveness, comfort and safety of the town centres library square and England Lane improving the connection to a number of community facilities. The upgrade includes significant greening and artwork included in the project will bring to life narratives that fosters a stronger sense of identity within an area.

### *Laneways*

The road carriageway on Farmers Lane was completed in August 2021, in preparation for the next stage of delivery. The new road design has lifted the road level to become one surface from Lambton Quay to the beginning of the steps leading to the Terrace and improved lighting for the thoroughfare between Lambton Quay and The Terrace, and concrete planters are now in place onsite. The final stage will be to install timber seating that will be fixed to the planters, and additional path and feature lighting along the building edge. Work will begin in the second half of 2022.

The Swan Lane and Garrett Street laneway project is to improve walkability, increase safety, and offer a convenient and enjoyable way to cut across city blocks. Upgrade on Swan Lane began in January 2022 and is expected to be completed mid to late 2022, while Garrett Street upgrade will begin mid-2022 and expected to be completed by before end of the year. Works include sewer renewal works, new lighting in the walkway between Marion Street and Swan Lane, new plantation pits, water sensitive urban design systems, raised roading and new pavements. As part of the project vibrant and greener open spaces will invite people to stay, dwell longer and support local business.

### **What it costs**

2022/23 Annual Plan	\$000
Operating expenditure	34,463
Capital expenditure	56,564

### **Key performance indicators for 'Urban Development'**

The following are key performance indicators and targets that we use to measure success in delivering urban developments.

Performance measure	Target 2021/22	Target 2022/23
<b>6.1 Urban planning, heritage and public spaces development</b>		
<b>Protecting heritage</b>		
Number of heritage-listed buildings that are earthquake prone	-10% reduction in overall number of EQP heritage buildings	Reduction in overall number of EQP heritage buildings

<b>6.2 Building and development</b>		
<b>Timeliness</b>		
Building consents (%) issued within 20 workings days	100%	100%
Code of compliance certificates (%) issued within 20 working days	100%	100%
Land Information Memorandums (LIMs) (%) issued within 10 working days	100%	100%
Resource consents (non-notified) (%) issued within statutory time frames	100%	100%
Resource consents (%) that are monitored within 3 months of project commencement	100%	100%
Subdivision certificates – Section 223 certificates (%) issued within statutory timeframes	100%	100%
Noise control (excessive noise) complaints (%) investigated within 1 hour	90%	90%
<b>Customer focus</b>		
Customers (%) who rate building control service as good or very good	70%	70%
Customers (%) who rate resource consent service as good or very good	90%	90%
<b>Compliance</b>		
Building Consent Authority (BCA) accreditation retention (biennial)	Retain	Retain

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## **Ngā waka haere | Transport**

*Connection people and places.*

A good transport system should do more than just move people and goods efficiently. It should benefit people's overall quality of life, support growth and economic productivity, help create healthy urban neighbourhoods that are people focused, and reduce the city's carbon emissions.

We're investing in transport options to maintain easy access in and around our city, in low or zero carbon ways, managing congestion and acting as a catalyst for urban renewal and sustainable growth.

### **In this section**

This section includes what's changing since we released Our 10-Year Plan, other key projects coming up, key performance measures and what it costs. There are two groups of activities in this section:

- 7.1 Transport
- 7.2 Parking

A detailed breakdown on the activities can be found in Appendix 3.

### **What we do – an overview**

- Partner with the region and NZTA on the future of transport in the city
- Work to make transport network more accessible and child friendly
- Maintain streets, footpaths, cycleways, bridges and retaining walls
- Upgrade and build new seawalls
- Operate, maintain and upgrade street lighting
- Build and maintain bus lanes, bus stops, and bus shelters
- Plan and build minor safety projects such as intersection improvements
- Respond to more than 30,000 customer enquiries and requests
- Trim vegetation on the roadside
- Clean Streets, remove graffiti and remove uncollected rubbish
- Install and maintain street signs, street furniture and road markings
- Provide safe crossing points and walking space for pedestrians
- Operate and maintain traffic signals and a network of CCTV cameras
- Own and operate Kiwi Point Quarry
- Provide traffic assessments to support encroachment, resource and building consent approvals
- Manage parking and enforcements in the city
- Operate the Cable Car through a council-controlled organisation
- Provide electric vehicle charging infrastructure on Council-owned land
- Support car sharing services with dedicated car parking spots and resident parking permits

### **Key Highlights for 2022/23**

We will continue with the work of implementing the Bike Network Plan and Bus Priority Action plan as a priority objective (see page 11) of council alongside upgrading seawalls and renewing retaining walls as part of our annual work for 2022/23 along with the projects outlined below.

### *Ngaio Gorge Slope Stabilisation*

In response to the two major landslides in 2017, the Ngaio Gorge Slope Stabilisation work was initiated to prevent future landslides occurring again. The stabilisation work comprises widening and realigning a section of road at the slip sites by the construction of three retaining walls, slope stabilisation, building catch fences, and building a new car parking area for Trelissick Park users.

The final stage of the construction works is expected to begin in Mid-2022 and completion with road fully operating by December 2022, provided there are no further delays.

### *Parklets*

We will be working with businesses to create more outdoor space for dining or socialising, by temporarily transforming an adjacent on-street carpark or two into a parklet. As an incentive, and one of the ways we're supporting businesses through COVID times, we won't be charging any fees for the use of street space approved for parklets until at least March 2023. This initiative has been well received by the industry and in the first three months post launch over 15 applications have been received.

Parklets can transform parking spaces into vibrant public spaces built for people to sit, relax, and enjoy the city. Parklets are best where the street lacks public space, or the footpaths are too narrow to provide outdoor dining spaces. It will also improve the street experience, be good for businesses because they bring more life to the street, and provide more space to socialise.

### *Parking*

We will continue implementing the new Parking Policy, which was adopted in August 2020. This will include the roll out of parking management plans, implementing technology to enable shift to smarter demand-based pricing, and managing the impacts of LGWM and bike network on parking across the city. Other work that will occur in 2022/23 is to increase parking space for Carshare rental and micro-mobility vehicles as part of work towards the Te Atakura strategy.

### *Speed Management Plan*

We will begin to implement the new Land Transport Rule: Setting of Speed Limits 2022 came into force on 19 May 2022. Speed is a major contributing factor to deaths and serious injuries on New Zealand roads. Higher speeds increase the risk of a crash occurring and the severity of injury as a result of a crash. Under the Rule, a road controlling authority may set a speed limit for a road under its control, with an option of declaring a speed limit area. Each territorial authority is required to prepare a speed management plan which must set out objectives, policies and measures for speed management for at least 10 financial years and include a 3-year implementation programme.

The Rule requires lowering of speed limits around schools generally to 30 km/h on roads outside school. Road controlling authorities must use reasonable efforts to ensure that at least 40% of the schools (33 out of 81 schools in Wellington City) meet this requirement by 30 June 2024. Streets near all schools are required to have safe speed limits by 31 December 2027.

### *Electric vehicle charging infrastructure*

We have purchased the 60 chargers promised in the LTP and are now working through where these chargers would be best installed based on technical feasibility, cost, and user preference. The intention is to support the 30% of Wellingtonians who aren't able to charge an electric vehicle at their home.



### Wellington Cable Car

The Wellington Cable Car network will be going through several upgrades, starting in 2022. A complete tunnel lights replacement as existing lights are nearing end of life. Replacement includes identifying cost and power saving initiative. Replacement expected to be completed in 2023.

In the second half of 2022, we will complete the seismic strengthening of the middle tunnel, which involves installing 16 rock anchors along the Portal Wall, Parapet, and adjacent North Wall. This will continue to improve the Cable Car's overall seismic resilience. We will also complete a structural and seismic investigation of the three bridges on the line for a better understanding of their condition and for any future potential work required.

### What it costs

2022/23 Annual Plan		\$000
Operating expenditure		61,033
Capital expenditure		110,495

### Key performance indicators for 'Transport'

The following are key performance indicators and targets that we use to measure success in delivering transport services.

PERFORMANCE MEASURE	TARGET 2021/22	TARGET 2022/23
<b>7.1 Transport network</b>		
<b>Network condition and maintenance</b>		
Roads (%) that meet smooth roads standards*	70%	70%
Residents (%) satisfaction with the condition of local roads in their neighbourhood	75%	75%
Structures (%) in serviceable (average) condition or better	97%	97%
Customer service requests (%) relating to roads and footpaths that are responded to within timeframe (urgent within 2 hours and non-urgent within 15 days)	98%	98%
Footpaths (%) in average condition or better (measured against WCC condition standards*)	96%	96%
Residents (%) satisfied with street lighting	75%	75%
Sealed local road network (%) that is resurfaced*	Target range 8.9–9.9%	Target range 8.9–9.9%
<b>Active modes promotion</b>		
Kilometres of cycle paths and lanes in the city (increasing)	Baseline	Increase
Residents (%) who are satisfied with the transport network - walking	75%	75%
<b>Wellington Cable Car Limited</b>		

PERFORMANCE MEASURE	TARGET 2021/22	TARGET 2022/23
Achievement of measures within <b>Wellington Cable Car Limited</b> Statement of Intent	Refer SOI # achieved	Refer SOI # achieved
<b>7.2 Parking</b>		
<b>Availability</b>		
City parking peak occupancy (utilisation)	70-80%	70-80%
Residents (%) who perceive that parking enforcement is fair	>50%	>50%
<b>Note: Baseline targets – as some of these measures are new, the first year results will be used to establish targets for future years</b>		

Our LTP also includes outcome indicators to monitor progress toward desired results for the city in each of our Strategic areas. These indicators are not listed in this Annual Plan as progress is tracked over a longer period of time. For these indicators, please refer to Our 10-Year Plan on our website, [wellington.govt.nz](http://wellington.govt.nz)

## Ngā rōpū e here ana ki te Kaunihera | Council-Controlled Organisations (CCOs)

To achieve our objectives for Wellington, we have established several companies and trusts. These were set up to independently manage Council facilities, or to deliver significant services and undertake development on behalf of the Wellington community.

Where necessary, we provide funding to support their operations and capital investment requirements.

The following pages provide a summary of what the organisations do, their objectives, structure, and how their performance is measured. For detail on the performance measures that WCC will be reporting on for CCOs, please refer to Our 10-Year Plan.

### Wellington Museums Trust

The Wellington Museums Trust was established in 1995, and trades as Experience Wellington.

The Trust operates six visitor experiences for the Council:

- Capital E
- Space Place at Carter Observatory
- City Gallery Wellington
- Nairn Street Cottage
- Wellington Museum and
- Cable Car Museum.

All trustees are appointed by the Council.

Objectives	Activities	Performance measures
<p>Experience Wellington brings to life the city's arts, culture and heritage taonga on Council's behalf.</p> <p>Its year-round programme of exhibitions, events and experiences deliver a constant heartbeat of activity to the capital: enriching the lives of its visitors and strengthening the city</p>	<p>Deliver high-quality experiences, events and exhibitions at its facilities.</p> <p>Manage conservation and care for its collections and artefacts.</p> <p>Conduct research and development to enhance visitors' experiences.</p> <p>Offer education experiences to children and young people.</p> <p>Work with national and international artists and collectors.</p>	<p>Visitation</p> <p>Council support</p> <p>Non-council revenue</p> <p>Satisfaction</p>

Please refer to Wellington Museum Trust's SOI for KPIs and targets

## Wellington Regional Economic Development Agency Ltd

The Wellington Regional Development Agency Ltd (trading as WellingtonNZ) supports economic performance across the region to enhance prosperity, vibrancy and liveability for the people who live and work in the region and attracts and promotes major events. WellingtonNZ’s vision for Wellington is to make the Wellington region wildly famous.

WellingtonNZ combines the economic development activities of Wellington City Council and Greater Wellington Regional Council into one organisation. WellingtonNZ is a Council Controlled Organisation (CCO) with our shareholders being Wellington City Council (WCC – 80%) and Greater Wellington Regional Council (GWRC– 20%). WellingtonNZ is governed by an independent Board of Directors who are appointed by the shareholders.

Objectives	Activities	Performance measures
<p>WellingtonNZ markets Wellington as a destination for visitors, migrants and investors; it helps businesses grow and innovate; it advocates for Wellington’s economy and attracts and promotes major events and runs our civic venues.</p> <p>The WellingtonNZ teams work across regional development, destination and attraction; events and experience; and marketing and communications.</p> <p>WellingtonNZ’s vision for Wellington; to make the Wellington region wildly famous.</p> <p>Its programmes, projects and initiatives are designed to act as catalysts, helping Wellington to unlock more of its economic potential.</p>	<p>Markets and promotes Wellington as a destination for tourists, migrants, students, businesses and investors.</p> <p>Helps businesses grow and innovate.</p> <p>Advocates for Wellington’s economy.</p> <p>Attracts and promotes conferences, performances and major events.</p> <p>Operates the civic venues.</p>	<p>Economic impact</p> <p>Engagement with programmes</p> <p>Value generation</p> <p>Attendances Indirect measures of impact</p>

Please refer to Wellington Regional Economic Development Agency Ltd’s SOI for KPIs and targets.

## Wellington Zoo Trust

The Wellington Zoo Trust manages Wellington’s Zoo, home to native and exotic animals, and is recognised for expertise in animal welfare, conservation, visitor experience and sustainability.

All trustees are appointed by the Council.

Objectives	Activities	Performance measured against
The Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.	<p>Deliver learning sessions to children to grow their understanding of animals and the natural world.</p> <p>Partner with conservation organisations for at-risk species from New Zealand and around the world and to advocate for animals and save wildlife and wild places.</p> <p>Treat native animals at The Nest Te Kōhanga the Zoo’s animal hospital and centre for wildlife health services.</p> <p>Care for resident animals and provide a high-quality visitor experiences.</p> <p>Participate in captive management breeding and breed-for-release programmes.</p> <p>Develop and maintain high-quality animal exhibits.</p> <p>Contribute to zoological, conservation and facilities management research projects.</p>	<p>Visitation</p> <p>Council support</p> <p>Non-council revenue</p> <p>Financial health</p> <p>Conservation, research and animal care</p> <p>Satisfaction</p>

Please refer to Wellington Zoo Trust’s SOI for KPIs and targets.

## Basin Reserve Trust

The Basin Reserve Trust is responsible for the operation and management of Wellington’s Basin Reserve.

The day-to-day operational activities are carried out by Cricket Wellington under a management agreement with the Trust. The Trust is comprised of four members, two elected by Wellington City Council including the chairperson, and two members elected by Cricket Wellington

Objectives	Activities	Performance measured against
<p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.</p> <p>The overall vision is that the ground remains highly valued locally as a public reserve of unique character and is recognized as the premier International Cricket venue in New Zealand.</p>	<p>The day-to-day operational activities are carried out by Cricket Wellington under a management agreement with the Trust.</p> <p>Manage the Basin Reserve for recreational activities and the playing of cricket.</p> <p>Contribute to the events programme for Wellington.</p> <p>Preserve and enhance the heritage value of the Basin Reserve.</p> <p>Provide the home for the New Zealand Cricket Museum.</p> <p>Promote and coordinate fund raising to support the Trust’s activities.</p>	<p>Utilisation</p> <p>Attendance</p> <p>Council support</p> <p>Non-council revenue</p>

Please refer to the Basin Reserve Trust’s SOI for KPIs and targets.

## Karori Sanctuary Trust

The Karori Sanctuary Trust (trading as ZEALANDIA - TE MĀRA A TĀNE) manages ongoing conservation and restoration work at the sanctuary, works with local organisations and community groups to support local biodiversity, provides educational experiences, and connects people to New Zealand's unique natural heritage.

Objectives	Activities	Performance measured against
To connect people with New Zealand's unique natural heritage and inspire actions that transform how people live with nature in our cities, towns and beyond.	Manage a 225ha conservation estate, home to dozens of native species  promote conservation and advocate for New Zealand's native wildlife  work with local groups to improve biodiversity across the Wellington region  partner with leading educational institutions to facilitate world-class environmental research  facilitate educational programmes and resources to thousands of young people around the Wellington region.	Visitation.  Council support  Non-council revenue  Financial health  Conservation  Satisfaction.

Please refer to the Karori Sanctuary Trust's SOI for KPIs and targets.

## Wellington Cable Car Limited

Wellington Cable Car Ltd (WCCL) owns and operates Wellington's iconic cable car, a funicular railway situated at the end of the Cable Car Lane, off Lambton Quay in the heart of Wellington city. The cable car provides a unique form of public transport from the city to the suburb of Kelburn.

Wellington City Council is the sole shareholder in WCCL and appoints the board of directors.

Objectives	Activities	Performance measured against
Wellington Cable Car Limited owns and operates the Cable Car.	Maintain the cable cars and associated plant, the railway tracks, tunnels, bridges and buildings in accordance with best engineering practice, and to meet all legislative compliance.  Market and manage the cable car passenger service.	Utilisation  Revenues  Satisfaction  Reliability

Please refer to Wellington Cable Car Ltd's SOI for KPIs and targets.

## Wellington Water Limited

Wellington Water Ltd manages the regions’ three waters network - drinking water, wastewater and stormwater – services on behalf of its shareholder council owners which are: Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders.

The Wellington Water Committee provides overall leadership and direction for the company. A representative from each authority sits on the Committee.

Wellington Water Ltd is governed by a board of independent directors.

Objectives	Activities	Performance measured against
<p>The role of Wellington Water is to manage the drinking water, wastewater and stormwater services of its shareholder council owners.</p> <p>Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders. To manage the drinking water, wastewater and stormwater services of its shareholder council owners.</p>	<p>Provide high-quality, safe and environmentally sustainable services to shareholding councils and other customers with a focus on:</p> <ul style="list-style-type: none"> <li>- contracted service delivery for the operation,</li> <li>- maintenance and ongoing development of drinking water, stormwater and wastewater assets and services, and</li> <li>- asset management planning.</li> </ul>	<p>Provide a reliable water supply, wastewater and stormwater management service.</p> <p>Deliver of budgeted capital expenditure projects for its shareholding councils.</p> <p>Deliver of budgeted operating and maintenance activities for its shareholding councils.</p> <p>Comply with relevant standards, legislation and resource consents.</p>

For performance measures and targets, go to the Environment section of the detailed performance information.



## Wellington Regional Stadium Trust

The Trust owns, operates and manages Sky stadium which provides high-quality facilities for a range of sports, musical and cultural sponsored events, as well as a variety of trade shows and community events.

The Trust’s board of trustees is jointly appointed by Greater Wellington Regional Council and Wellington City Council.

The Trust is not a Council Controlled Organisation, for the purposes of the Local Government Act 2002. However, the interest that ratepayers have in the Trust and its activities is understood and accordingly the Trustees have agreed to be subject to the reporting requirements and monitoring procedures of both Councils to acknowledge the value of each Council’s investment in the stadium.

Objectives	Activities	Performance measured against
<p>The objectives as set out in the founding Trust Deed are:</p> <ul style="list-style-type: none"> <li>- To own, operate and maintain the Stadium as a high-quality multi-purpose sporting and cultural venue;</li> <li>- To provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region; and</li> <li>- To administer the Trust’s assets on a prudent commercial basis so that the Stadium is a successful, financially autonomous community asset.</li> </ul>	<p>Owns and operates the Stadium.</p> <p>Manages the event programme and seeks opportunities to provide a full and balanced event calendar.</p> <p>Ensures the Stadium is provided to the community for appropriate usage.</p> <p>Operates the Stadium on a prudent commercial basis.</p>	<p>Total revenue</p> <p>Event revenue</p> <p>Net surplus</p> <p>Bank borrowing to total assets</p> <p>Capital expenditure</p>

Please refer to Wellington Regional Stadium Trust’s SOI for KPIs and targets.

## Part C: Financial information

### Annual plan disclosure statement for year ending 30 June 2022

#### What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
<b>1. Rates affordability benchmark</b>			
• income	Quantified limit \$475m	\$425.1m	Yes
• increases	Quantified increase limit 15.8%	8.6% increase	Yes
<b>2. Debt affordability benchmark</b>	Net closing debt over operating income 225%	204%	Yes
<b>3. Balanced budget benchmark</b>	100%	90%	No
<b>4. Essential services benchmark</b>	100%	156%	Yes
<b>5. Debt servicing</b>	10%	6.4%	Yes

#### Notes:

##### 1 Rates affordability benchmark

(1) For this benchmark:

- (a) the council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's LTP; and
- (b) the council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term Plan.

(2) The council meets the rates affordability benchmark if:

- (a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

## **2 Debt affordability benchmark**

(1) For this benchmark, the council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the council's long-term plan.

(2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

## **3 Balanced budget benchmark**

(1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

(2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

In 2021/22 the planned operating revenue is budgeted at 90% of the planned operating expenditure. This is due to some of the planned operating expenditure being initially debt funded for 3 reasons; 1) to fund the loss of fees and user charge revenue due to the COVID-19 pandemic, 2) to fund the provision for forecast losses of CCOs due to reduced income from COVID-19, and 3) to fund operating expenditure that has a multi-year benefit, so that it can be repaid over the years of the benefit.

This benchmark does not take balance sheet funding into account, however we do have a balanced budget for operational funding as shown in the Explanation of Surplus/Deficit.

## **4 Essential services benchmark**

(1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

(2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

## **5 Debt servicing benchmark**

(1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

(2) Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

## Fees and user charges

Our Revenue and Financing Policy guides our decisions on how to fund Council services. Under the policy, we take into account who benefits from a service (individuals, parts of the community, or the community as a whole) because this helps us determine how the service should be funded. The policy sets targets for each Council activity, determining what proportion should be funded from the user charges, general rates, targeted rates and other sources of income.

The tables below show the fee and user charge changes included within the 2022/23 Annual Plan.

### Activity 2.1.9 Building consents

Fee / Charge Name	Current Fee	Proposed Fee
Residential (per request)	25-125 dependent on number of requests	25.00
Commercial Building permits and building consents	55.00	65.00

### Activity 2.1.9 Botanical Gardens

Fee / Charge Name	Current Fee	Proposed Fee
Discovery Garden child (pre-school)	4.00	4.50
Discovery Garden Child Early Childhood	4.00	4.50
Discovery Garden Child Primary/Intermediate	5.00	6.00
Learning Pavilion full day		500.00
Learning Pavilion 1/2 day		300.00
Lotions & Potions space Discovery Garden \$100/hr		100.00
Begonia House workshop space/hr		40.00
Treehouse Groups > 12 Full days	500.00	600.00
Treehouse Seminar Room Half Day Groups > 12		400.00
Wellington Gardens Cleaning Fee >50 people	-	100.00
Troupe Picnic lawn ink BBQ space holy rate		100.00

### Activity 2.1.9 Waterfront Public Spaces

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Harbourside Market Monthly Fee Small Unpowered	175.00	180.00
Harbourside Market Monthly Fee Medium Unpowered	248.00	255.00
Harbourside Market Monthly Fee Large Unpowered	1,100.00	1,115.00
Harbourside Market Monthly Fee Small Powered	210.00	215.00
Harbourside Market Monthly Fee Medium Powered	300.00	305.00
Outdoor licence fees m2	75.00	85.00

### Activity 2.2.1 Waste Minimisation

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Council rubbish bag (retail RRP)	3.11	3.29
Commercial General Rubbish	175.38	196.07
Domestic General Rubbish	216.00	245.50
Green Waste	69.00	80.50
Sewerage Sludge	253.00	276.00
Special Waste - Asbestos	253.00	273.70

Special Waste - Other	210.45	231.15
Contaminated Soil	92.00	128.80

**Activity 2.4.1 Sewage collection Trade waste**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Trade Waste Charges/Sewerage Collection and Disposal Network: Volume - Up to 100m3/day	0.34	0.35
Trade Waste Charges/Sewerage Collection and Disposal Network: Volume - Above 100m3/day but below 7,000m3	0.15	0.16
Trade Waste Charges/Sewerage Collection and Disposal Network: Volume - Above 7,000 m3	0.98	1.01
Trade Waste Charges/Sewerage Collection and Disposal Network: Biochemical Oxygen Demand - Up to 3,150kg/day	0.34	0.35
Trade Waste Charges/Sewerage Collection and Disposal Network: Biochemical Oxygen Deman - Above 3,150kg/day	0.75	0.77
Trade Waste Charges/Sewerage Collection and Disposal Network: Suspended Solids - up to 1,575kg/day	0.33	0.34
Trade Waste Charges/Sewerage Collection and Disposal Network: Suspended Solids - above 1,575kg/day	0.66	0.68

**Activity 5.1.1 Swimming Pools**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Adult Spa (Karori Pool)	5.40	5.50
Adult Spa Only (Covid)	5.40	5.50
Adult Swim	6.60	6.80
Adult Swim & Spa (Karori Pool)	9.00	9.20
Adult Swim & Spa (Tawa/Thorndon Pool)	8.50	8.60
Adult Swim Concession Pass (10 trip)	59.40	61.20
Child Concession Pass Old (10 trip)	35.10	36.00
Child Swim	3.90	4.00
Child Swim / Spa Combo	5.40	5.50
Child Swim / Spa Combo Concession Pass (10 Trip)	48.60	49.50
Child Swim Concession Pass (10 trip)	35.10	36.00
Karori Pool - Hydro slide	1.00	1.20
Karori Pool - Spa & Swim Concession Pass (10 Trip)	81.00	82.80
Karori Pool - Spa Concession Pass (10 Trip)	48.60	49.50
Khandallah Adult	3.20	3.30
Khandallah Child	1.60	1.80
Khandallah Pool Adult Concession Pass (10 Trip)	28.80	29.70
Khandallah Pool Child Concession Pass (10 Trip)	14.40	16.20
KSP - Adult Hot Spot	6.40	6.50
Tawa - Adult Offpeak Swim	3.30	3.40
Tawa Offpeak Adult Concession Pass (10 trip)	33.00	34.00
Thorndon & Tawa - Spa & Swim Combo Concession Pass (10 Trip)	76.50	77.40
WRAC - Event Adult Swim	6.60	6.80
WRAC/KSP/Freyberg - Adult Swim / Hot Spot Combo Concession Pass (10 trip)	90.00	91.80

**Activity 5.1.1 Swimming Pools**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
WRAC/KSP/Freyberg - Adult Swim/Hot Spot Combo	10.00	10.20
WRAC/KSP/Freyberg - Hot Spot Adult	6.40	6.50
WRAC/KSP/Freyberg - Hot Spot Adult Concession Pass (10 Trip)	57.60	58.50
Khandallah Pool - School Swim	1.60	1.70
Swim Membership Adult - Direct Debit (Fortnightly)	29.98	30.70
Swim Membership Adult - Direct Debit (Monthly)	64.96	66.50
Swim Membership Adult - Upfront (Yearly)	775.00	798.00
Swim Membership Aquatic Club Member Adult - Direct Debit (Fortnightly)	25.48	26.10
Swim Membership Aquatic Club Member Adult - Direct Debit (Monthly)	55.21	56.53
Swim Membership Aquatic Club Member Adult - Upfront (Yearly)	658.00	678.30
Swim Membership Aquatic Club Member Child - Direct Debit (Fortnightly)	14.88	15.27
Swim Membership Aquatic Club Member Child - Direct Debit (Monthly)	32.22	33.08
Swim Membership Aquatic Club Member Child - Upfront (Yearly)	387.18	396.95
Swim Membership Child - Direct Debit (Fortnightly)	17.50	17.96
Swim Membership Child - Direct Debit (Monthly)	37.90	38.92
Swim Membership Child - Upfront (Yearly)	455.50	467.00
Swim Membership CSC Adult - Direct Debit (Fortnightly)	23.98	24.56
Swim Membership CSC Adult - Direct Debit (Monthly)	51.97	53.20
Swim Membership CSC Adult - Upfront (Yearly)	620.00	638.40
Swim Membership CSC Child - Direct Debit (Fortnightly)	14.00	14.37
Swim Membership CSC Child - Direct Debit (Monthly)	30.32	31.14
Swim Membership CSC Child - Upfront (Yearly)	364.40	373.60
Swim Membership Student - Direct Debit (Fortnightly)	23.98	24.56
Swim Membership Student - Direct Debit (Monthly)	51.97	53.20
Swim Membership Student - Upfront (Yearly)	620.00	638.40
Swim Membership Super Gold - Direct Debit (Fortnightly)	23.98	24.55
Swim Membership Super Gold - Direct Debit (Monthly)	51.97	53.20
Swim Membership Super Gold - Upfront (Yearly)	620.00	638.40
School Swim	1.60	1.70
Karori - Inflatable	66.50	70.00
Karori - Slide Staff	30.00	40.00
Pools - Lifeguard (per hour)	30.00	40.00
Tawa - Inflatable	61.50	65.00
Thorndon - 1 hour 0 - 25 people	160.00	180.00
Thorndon - 1 hour 26 - 50 people	210.00	225.00
Thorndon - 1 hour 50 - 100 people	280.00	300.00
Thorndon - 2 hours 0 - 25 people	220.00	245.00
Thorndon - 2 hours 26 - 50 people	280.00	300.00
Thorndon - 2 hours 50 - 100 people	360.00	375.00
WRAC - Inflatable	80.00	90.00
WRAC - Small Inflatable	40.00	45.00

**Activity 5.1.1 Swimming Pools**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
Group Fitness Land Based Casual Entry	11.00	13.00
Group Fitness Land Based Concession Pass (10 trip)	99.00	117.00
Spin - Casual	11.00	13.00
Student - Group Fitness Land Based Casual Entry	8.80	10.40
Student - Group Fitness Land Based Convenience Pass (10 trip)	88.00	104.00
WRAC - Spin Concession Pass (10 Trip)	99.00	117.00

**Activity 5.1.2 Sports Fields**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
Athletics Casual	682.50	699.56
Athletics Seasonal	500.00	512.50
Athletics WRFU Speed Trials	144.00	147.60
Changing Room & Field 1 night	210.00	215.25
Changing Room & Field 1 night (season)	880.00	902.00
Changing Room & Field 2 nights (season)	1,700.00	1,742.50
Changing Room & Field 3 nights (season)	2,580.00	2,644.50
Changing Room & Field 4 nights (season)	3,425.00	3,510.63
Changing Room & Field 5 nights (season)	4,275.00	4,381.88
Cricket Casual Artificial (Concrete Base)	175.00	179.38
Cricket Casual Artificial (Grass Base)	175.00	179.38
Cricket Casual Level 1	400.00	410.00
Cricket Casual Level 2	268.80	275.52
Cricket Seasonal Artificial (Concrete Base)	45.45	46.59
Cricket Seasonal Artificial (Grass Base)	35.90	36.80
Cricket Seasonal Level 1	143.18	146.76
Cricket Seasonal Level 2	119.32	122.30
Cricket Seasonal Level 3	66.48	68.14
Croquet Casual	178.00	182.45
Croquet Seasonal	40.57	41.58
Cycling Casual	185.00	189.63
Cycling Seasonal	84.09	86.19
Groundsman - hourly rate (minimum 2 hours)	50.00	51.25
Marquee > 100m2	1,380.00	1,414.50
Marquee Booking Fee (non-refundable)	86.00	88.15
Marquee up to 100m2	860.00	881.50
Marquee up to 50m2	520.00	533.00
Netball Casual	47.25	48.43
Netball Off-season or organised	15.00	15.38
Netball per season	7.16	7.34
Newtown Park	682.50	699.56
Newtown Park Function Room	30.00	32.50
Rugby League Park	682.50	699.56
Rugby, League, Football, Aussie Rules Casual Level 1	150.00	153.75
Rugby, League, Football, Aussie Rules Casual Level 2	115.50	118.39
Rugby, League, Football, Aussie Rules Casual Level 3	89.00	91.23
Rugby, League, Football, Aussie Rules Seasonal Level 1	115.74	118.63

**Activity 5.1.2 Sports Fields**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Rugby, League, Football, Aussie Rules Seasonal Level 2	77.56	79.50
Rugby, League, Football, Aussie Rules Seasonal Level 3	62.05	63.60
Softball Casual Level 1	185.00	189.63
Softball Casual Level 2	135.00	138.38
Softball Seasonal Level 1	37.23	38.16
Softball Seasonal Level 2	24.82	25.44
Tennis Casual	47.25	48.43
Tennis Off-season or organised	20.00	20.50
Tennis per season	9.55	9.79
Toilets and Changing Rooms Only Open	90.00	92.25
Toilets Open	42.00	43.05
Touch, 5-a-side, Ultimate, Gridiron Casual Level 1	199.50	04.49
Touch, 5-a-side, Ultimate, Gridiron Casual Level 2	160.00	164.00
Touch, 5-a-side, Ultimate, Gridiron Seasonal Level 1	76.36	78.27
Touch, 5-a-side, Ultimate, Gridiron Seasonal Level 2	57.27	58.70
Tournament Base fee - field/day	340.00	348.50
Training Ground Only 1 night	110.00	112.75
Training Ground Only 1 night (season)	420.00	430.50
Training Ground Only 2 nights (season)	800.00	820.00
Training Ground Only 3 nights (season)	1,200.00	1,230.00
Training Ground Only 4 nights (season)	1,560.00	1,599.00
Training Ground Only 5 nights (season)	1,920.00	1,968.00

**Activity 5.1.4 Recreation Centre**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Rec Centre - Casual Adult	4.00	4.50
Kilbirnie Rec - Inflatable	60.00	65.00
ASB - Concession Pass Adult (20 Trip)	72.00	81.00
ASB - Extra Staff	30.00	40.00

**Activity 5.1.7 Marinas**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Evans Bay Visitor Day	30.00	32.00
Evans Bay Visitor Month	630.00	674.00
Evans Bay Non tenant use of Breastwork	75.00	80.00
Evans Bay Berth	3,133.00	3,352.00
Evans Bay Berth (Sea Rescue Jetty)	1,841.00	1,970.00
Evans Bay Boat Shed (8 to 11)	1,235.00	1,321.00
Evans Bay Boat Shed (1 to 7, 12 to 32)	2,465.00	2,638.00
Evans Bay Boat Shed (33 to 46)	3,690.00	3,948.00
Evans Bay Dinghy Locker	368.00	394.00
Evans Bay Live-Aboard fee	645.00	1,200.00
Evans Bay Trailer Park monthly	140.00	150.00
Clyde Quay Mooring	1,293.00	1,435.00
Clyde Quay Boat Shed (1 to 13)	2,712.00	3,010.00
Clyde Quay Boat Shed (14 to 27)	2,441.00	2,710.00



Clyde Quay Boat Shed (28, 29)	3,389.00	3,762.00
Clyde Quay Boat Shed (38B)	1,957.00	2,172.00
Clyde Quay Boat Shed (38A to 42B, 48A, 48B)	2,809.00	3,118.00
Clyde Quay Boat Shed (43A to 47B)	3,256.00	3,614.00
Clyde Quay Dinghy Rack	226.00	251.00

**Activity 5.2.1 Libraries**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
<b><i>Overdue charges per day- Adult or Out of Towner</i></b>		
Books	0.80	0
Magazines	0.60	0
CDs & CYA CDs	0.60	0
DVDs & CYA DVDs	1.00	0
Videos & CYA Videos	1.00	0
Tapes & CYA Tapes	0.60	0
CD-ROMs & CYA CD-ROMs	1.00	0
Kits & CYA Kits	0.60	0
<b><i>Overdue charges per day- Children &amp; Young Adults</i></b>		
Books	0.30	0
Magazines	0.30	0
CDs & CYA CDs	0.30	0
DVDs & CYA DVDs	0.50	0
Videos & CYA Videos	0.50	0
Tapes & CYA Tapes	0.30	0
CD-ROMs & CYA CD-ROMs	0.50	0
Kits & CYA Kits	0.30	0
<b><i>Overdue charges per day- all</i></b>		
Bestseller Books	1.00	0

**Activity 5.3.1 Burials and Cremations**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
Wooden Urn - Adult	95.00	100.00
Weekend Fee - Casket Interment	646.00	678.00
Weekend Fee - Ash Interment	215.00	226.00
Weekend Cremation	342.00	359.00
Temporary Grave Marker	149.00	155.00
Public Holiday Fee - Cremation	621.00	652.00
Public Holiday Fee - Burial	907.00	952.00
Public Holiday Fee - Ash Interment	454.00	477.00
Plot Search Charge (first 3 free)	20.00	25.00
Overtime - Niche Placement	120.00	126.00
Overtime - Chapel Hire (per half hour)	204.00	214.00
Overtime - Burial	646.00	675.00
Overtime - Ash Scatter	195.00	205.00
Overtime - Ash Interment	215.00	226.00
Overtime - Ash Collection Express	200.00	210.00
Outside District Indigent - Cremation and Burial	142.00	149.00
Outside District - Second Interment	571.00	600.00

**Activity 5.3.1 Burials and Cremations**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
Outside District - Casket	1,071.00	1,125.00
Outside District - Ash Scatter	42.00	44.00
Outside District - Ash Interment	430.00	452.00
Muslim Boards - Infant	105.00	110.00
Muslim Boards - Adult	178.00	187.00
Delivery Only	726.00	762.00
01/2A Ash Plot	505.00	530.00
Arrangement fee	-	150.00

**Activity 5.3.3 Public health regulations**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
<b><u>Annual Registration</u></b>		
Entire Dogs	176.00	180.50
Paid on or after 1 August	264.00	269.50
Desexed Dogs	127.50	130.75
Paid on or after 1 August	191.25	195.00
Responsible Dog owner status	62.75	64.50
Paid on or after 1 August (entire)	264.00	269.50
Paid on or after 1 August (de-sexed)	191.25	195.00
Working Dogs	53.50	55.00
Paid on or after 1 August	80.25	81.25
Working Dogs (puppies) registered after 30 August	28.00	28.75
Multiple dog application	37.10	38.00
Replacement reg tag	12.00	12.25
RDO Application	61.00	62.50
<b><i>Dog Euthanasiation</i></b>		
Dog Euthanasiation - up to 20kg		176.00
Dog Euthanasiation - 21 - 40kg	-	219.00
Dog Euthanasiation - over 40kg	-	262.00
<b><i>Dog Walker Licence</i></b>		
Dog Walker Licence	-	191.50
Dog Walker Renewal	-	61.00
<b><i>Health Licences</i></b>		
Camping grounds	250.00	256.50
Hairdressers	130.00	133.50
Mortuaries / funeral directors	155.00	159.00
Pools: commercial pools / spas	250.00	256.50
Schools pools (no entry fee)	-	-
Animal boarding establishment	250.00	256.50
<b><i>Trade Waste</i></b>		
Trade Waste application fee	190.00	195.00
Initial inspection fee		
Annual consent fee ~ High risk	1,900.00	1,949.50
Annual consent fee ~ Medium risk	950.00	974.75
Annual consent fee ~ Low risk	315.00	323.25
Annual consent fee ~ Minimal risk	137.50	141.00
<b><i>Trade Waste/ Health fees</i></b>		

**Activity 5.3.3 Public health regulations**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
Grease & Grit traps - initial application fee	190.00	195.00
- Grease traps	137.50	141.00
- Shared grease trap (per premises)	70.00	71.75
- Grease converter	315.00	323.25
- Grit traps	137.50	141.00
- Charge after first hr (per hr)	135.00	138.50
- Monitoring (lab) charges	actual - varies	actual - varies
<b>Collection &amp; Transport of Trade Waste</b>		
- Initial Application fee	160.00	164.25
- Charge after first hr (per hr)	135.00	138.50
- Annual Licence fee	190.00	195.00
Any lab expenses	actual - varies	actual - varies
<b>Conveyance and Transport of Trade waste</b>		
- Processing fee (per hr or part thereof)	135.00	138.50
<b>Volume</b>		
Up to 100m <sup>3</sup> /day	0.34	0.35
Between 100m <sup>3</sup> /day and 7000m <sup>3</sup> /day	0.15	0.15
Above 7000m <sup>3</sup> /day	1.04	1.07
<b>B.O.D.</b>		
Up to 3150kg/day	0.36	0.37
Above 3150 kg/day	0.79	0.81
<b>Suspended Solids</b>		
Up to 1575kg/day	0.35	0.36
Above 1575kg/day	0.63	0.65

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Council's Pandemic Response Temporary Fee (\$) 1 July 2022 to 28 February 2023</b>	<b>Proposed Fee (\$) from 1 March 2023</b>
<b>Food Safety</b>			
<b>Registration fees</b>			
As part of the council's pandemic response package food safety registration fees from 1 July 2022 to 28 February 2023 will be charged at \$1			
New registration	155.00	1.00	155.00
Pre-opening inspection (1 hour)	155.00	1.00	155.00
Additional time (per hour)	155.00	1.00	155.00
<b>Verification fees</b>			
As part of the council's pandemic response package food safety verification fees from 1 July 2022 to 28 February 2023 will be charged at \$1			
Standard food control plan verification fee	620.00	1.00	620.00
Standard food control plan verification fee (for some mobile operators)	310.00	1.00	310.00
Standard national programme verification fee	310.00	1.00	310.00

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Council's Pandemic Response Temporary Fee (\$) 1 July 2022 to 28 February 2023</b>	<b>Proposed Fee (\$) from 1 March 2023</b>
Additional time (per hour)	155.00	1.00	155.00
<b>Renewal fees</b>			
Food control plan registration renewal fee (every year)	77.50	1.00	77.50
National programme registration renewal fee (every second year)	77.50	1.00	77.50
<b>Changes to registration</b>			
Significant changes	155.00	155.00	155.00
Minor changes	77.50	77.50	77.50
Voluntary suspension of operations	77.50	77.50	77.50
<b>Compliance fees</b>			
Issue of enforcement notice	155.00	155.00	155.00
Application for review of outcome	155.00	155.00	155.00
Statement of compliance	77.50	77.50	77.50
Additional charges for time spent on site (per hour)	155.00	155.00	155.00
<b><u>Pavement / Footpath Permissions - all outdoor dining permits</u></b>			
<b>As part of the council's pandemic response package there will be no charge for outdoor dining permits between 1 July 2022 and 28 February 2023</b>			
To apply for a new lease or change one you already have	190.00	-	195.00
To renew an existing lease (pavement leases must be renewed on 1 July every year)	95.00	-	97.50
Annual lease ~ central city (per m2)	90.00	-	92.25
Annual lease ~ suburbs (per m2)	58.50	-	60.00
<b><u>Alcohol licences</u></b>			
<b>As part of the council's pandemic response package on-licence and club alcohol licence fees from 1 July 2022 to 28 February 2023 will be charged at \$1</b>			
Annual alcohol license fee - On-licence and Club	213.00 - 3,898.00	1.00	213.00 - 3,898.00
Annual alcohol license fee - Off-licence	213.00 - 3,898.00	213.00 - 3,898.00	213.00 - 3,898.00
<b><u>Variation of alcohol licence</u></b>			
<b>For businesses taking up the offer of free outdoor dining – either on the pavement or on a parklet – from 1 July 2022 to 28 February 2023 council will process the application for \$1 + the ARLA levy</b>			
Alcohol license variation fee - On-licence and Club	213.00 - 3,898.00	1.00	213.00 - 3,898.00

**Activity 6.2.1 Building Control and Facilitation**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
Building Warrant of Fitness - Annual Certificate	81.75	104.50
This is the base charge for 1 specified system. Additional charges will apply for the time over 1 hour		
Building Warrant of Fitness - Annual Certificate	163.50	209.00
This is the base charge for 2-10 specified system. Additional charges will apply for the time over 2 hours		
Building Warrant of Fitness - Annual Certificate	244.75	313.50
This is the base charge for 11+ specified system. Additional charges will apply for the time over 3 hours		
<b>Non-Urgent</b>		
Lodgement fee	198.00	396.00
Less than \$10,000 (Residential 1, 2 and 3)	1,331.63	2,663.50
Less than \$10,000 (Commercial 1 and 2 buildings)	1,722.75	3,445.50
Less than \$10,000 (Commercial 3 buildings)	2,036.63	4,073.50
\$10,001 - \$20,000 (Residential 1, 2 and 3)	2,192.63	4,385.50
\$10,001 - \$20,000 (Commercial 1 and 2 buildings)	2,192.63	4,385.50
\$10,001 - \$20,000 (Commercial 3 buildings)	2,192.63	4,385.50
\$20,001 - \$100,000 (Residential 1, 2 and 3)	2,975.63	5,951.50
\$20,001 - \$100,000 (Commercial 1 and 2 buildings)	2,975.63	5,951.50
\$20,001 - \$100,000 (Commercial 3 buildings)	2,975.63	5,951.50
\$100,001 - \$500,000 (Residential 1, 2 and 3)	3,132.38	6,265.00
\$100,001 - \$500,000 (Commercial 1 and 2 buildings)	4,071.00	8,142.00
\$100,001 - \$500,000 (Commercial 3 buildings)	4,071.00	8,142.00
\$500,001 - \$1,000,000 (Residential 1, 2 and 3)	5,636.63	11,273.50
\$500,001 - \$1,000,000 (Commercial 1 and 2 buildings)	6,263.63	12,527.50
\$500,001 - \$1,000,000 (Commercial 3 buildings)	6,890.25	13,780.50
\$1,000,000 + (Residential 1, 2 and 3)	7,046.25	14,092.50
\$1,000,000 + (Commercial 1 and 2 buildings)	7,046.25	14,092.50
\$1,000,000 + (Commercial 3 buildings)	7,046.25	14,092.50
for each \$500,000 or part thereof over \$1,000,000	1,487.63	2,975.50

**Activity 6.2.2 Development Control and Facilitation**

Fee / Charge Name	Current Fee (\$)	Proposed Fee (\$)
<b>Town Planning and Building Certificates for the purposes of the Sale and Supply of Act 2012 (fixed fee):</b>		
- Town planning certificate	Town planning 500.50	Town planning 276.25
- Building certificate	Building certificate 209	Building certificate 209
- Both	Both certificate 709.50	Both certificates 485.25
Initial application fee - s226	-	806.00

**Activity 7.1 Transport**

<b>Fee / Charge Name</b>	<b>Current Fee (\$)</b>	<b>Proposed Fee (\$)</b>
<b>Encroachment fees</b>		
Annual fee for a road encroachment licence	\$13.33/m <sup>2</sup>	\$17.77/m <sup>2</sup>
Lease fee for the airspace and subsoil encroachments	Various	33% increase

## Funding impact statements

### FUNDING IMPACT STATEMENT FOR WHOLE OF COUNCIL

	2021/22 AP \$000s	2022/23 LTP \$000s	2022/23 AP \$000s	Notes
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	227,390	255,176	270,117	
Targeted rates (other than a targeted rate for water supply)	165,415	175,481	156,236	1
Subsidies and grants for operating purposes	8,616	10,148	9,558	
Fees and charges	155,430	168,109	167,109	
Interest and dividends from investments	140	1,913	1,913	
Local authorities fuel tax, fines, infringement fees, and other receipts	10,662	14,297	11,874	
<b>Total operating funding (A)</b>	<b>567,653</b>	<b>625,124</b>	<b>616,807</b>	
<b>Applications of operating funding</b>				
Payments to staff and suppliers	387,684	421,510	448,360	2
Finance costs	23,323	32,026	41,375	
Other operating funding applications	49,187	50,671	49,085	
<b>Total applications of operating funding (B)</b>	<b>460,194</b>	<b>504,207</b>	<b>538,820</b>	
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>107,459</b>	<b>120,917</b>	<b>77,988</b>	
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	41,051	33,324	30,719	
Development and financial contributions	3,500	3,500	3,500	
Increase (decrease) in debt	188,802	174,626	307,566	3
Gross proceeds from sales of assets	2,000	30,400	2,000	
Lump sum contributions	0		0	
<b>Total sources of capital funding (C)</b>	<b>235,353</b>	<b>241,849</b>	<b>343,786</b>	
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	42,822	42,766	61,756	
- to improve level of service	173,973	165,135	200,126	
- to replace existing assets	126,228	154,781	160,040	
Increase (decrease) in reserves	(212)	84	(148)	
Increase (decrease) in investments	0	0	0	
<b>Total applications of capital funding (D)</b>	<b>342,812</b>	<b>362,766</b>	<b>421,773</b>	
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(107,459)</b>	<b>120,917</b>	<b>(77,988)</b>	

<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses for this activity grouping include the following depreciation/amortisation charge</b>			
	146,736	161,381	187,605

**Notes**

1. Targeted rates which include targeted water rates have decreased due to the temporary change in funding approach for depreciation on water, sewerage and stormwater (3 waters) network assets due to the unexpected and un-forecasted increase in the 3 waters revaluation of assets at 30 June 2022, which saw an 80% increase in value, and subsequent increase in depreciation occurring after consultation of the 2022/23 Annual Plan. With depreciation normally being fully rates funded, this would have seen an additional 9% increase on rates that hadn't been consulted on for feedback from residents. Council has resolved to instead fund the depreciation on the 3 waters assets based on the capital renewals of the 3 waters assets for 2022/23.
2. Payments to staff and suppliers are expected to be higher than LTP and 2020/21 AP due to continuing increased costs to deliver existing services and to respond to earthquake and resilience issues.
3. The increase in debt is due to borrowing for capital expenditure, deferred rates impacts and debt funding of forecasted revenue loss for 2021/22 as a result of COVID-19.

**2020/21 Annual plan Funding Impact Statement — rating mechanisms**

**Rates**

Rates are a property tax to fund local government activities. Rates are assessed under the Local Government (Rating) Act 2002 (the Act) on rating units in the Rating Information Database. Where rates requirements are allocated based on a rating unit's value, the rateable value will be the capital value as assessed by the Council's valuation services provider. The latest city-wide revaluation was carried out as at 1 September 2021. This revaluation remains effective through until the 2023/24 rating year, except where subsequent maintenance valuations have been required under valuation rules or the Council's rating policies.

City-wide revaluations are performed every three years. The 1 September 2021 revaluation was effective for the 2021/22 rating year and the two consecutive rating years, 2022/23 and 2023/24 (subject again to subsequent maintenance valuations).

Policy objective:

- To provide the Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible by balancing the level of service provided by the Council with ability to pay and the incidence of costs in relation to benefits received.
- To be neutral in that it does not encourage people to redirect activity in order to avoid its impact.
- To reflect the decisions of the Council's policies and rating reviews.

**General Rates**

General rates are set under section 13 of the Act on all rateable rating units in the City of Wellington.



The Council has set a general rate based on the capital value of each rating unit within the city.

The general rate is set on a differential basis, based on the use to which the land is put and/or the zoning. All rating units (or part thereof) will be classified for the purposes of general rates within one of the following differential rating categories.

### **Differential Rating Categories**

#### **Base Differential**

The Base differential rating category shall be applied to the following rating units:

- a) Separately rateable land used for one or more household units; excluding those properties that provide short stay (28 days or less) commercial accommodation for which a tariff is charged
- b) Vacant land zoned residential
- c) Land used as farmland and lifestyle blocks which is included in the rural activity area in the District Plan

Farmland is defined as land used exclusively or principally for agricultural, horticultural, pastoral or silvicultural purposes, or for the keeping of bees or poultry or other livestock but excluding commercial dog kennels or catteries.

- d) Separately rateable land occupied by a charitable organisation which is deemed by the Council to be used exclusively or principally for sporting, recreation or community purposes and that does not generate any private pecuniary benefit.

This category has a general rate differential rating factor of 1.0.

#### **Commercial, Industrial and Business Differential**

The Commercial, Industrial and Business differential rating category shall be applied to the following rating unit:

- a) Separately rateable land used for a commercial or industrial purpose
- b) Vacant land zoned commercial, industrial or business
- c) Land used for offices, administrative and/or associated functions
- d) Land used for commercial accommodation for which a tariff is charged and where the principal purpose is the provision of short stay (28 days or less) accommodation
- e) Business-related premises used principally for private pecuniary benefit
- f) Any rating unit not otherwise categorised within the Base Differential.

This category has a general rate differential rating factor of 3.7.

#### **Differential Rating Category Conditions**

Differential rating 3.7:1 Commercial, Industrial and Business: Base

- The differential apportionment for the Commercial, Industrial and Business differential is 3.7 times the rate per dollar of capital value payable by those properties incorporated under the Base differential.
- Where a rating unit has more than one land use the rating unit may be 'divided' so that each part may be differentially rated based on the land use of each part.

A rating unit will be differentially rated where a division of the rating unit is established, based on the use to which the land is put and/or the zoning. A division will be established where:

- a rating unit has a value of greater than \$800,000 or
- the minority use(s) account for more than 30 percent of the total capital value of the rating unit

If neither of these criteria are met no division will take place, and the rating category will be established on the primary use of the rating unit.

- In any other case, the general rate differential is determined by principal use.
- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a building consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
  - a) The time at which the Council gives final approval of the completed works, or
  - b) The property is deemed (by the Council) to be available for its intended use.
    - In situations where the change in land use does not require a Council consent, but warrants a change in differential rating category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.
    - The differential rating category of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential rating category during a rating year will apply from 1 July of the following rating year.
    - Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Act, will be first classified under the appropriate general rate differential classifications and the non-rateability applied to that rate.

#### *Uniform Annual General Charge*

The Council does not assess a uniform annual general charge.

#### **NON-RATEABLE LAND**

##### *Non-Rateable*

Any land referred to in Part 1, Schedule 1 of the Act is non-rateable with the exception of targeted rates solely for sewerage and water where the service is provided.

##### *50 Percent Non-Rateable*

All land referred to in Part 2, Schedule 1 of the Act is 50 percent non-rateable in respect of the rates that apply, with the exception of targeted rates for sewerage and water for which the land is fully rateable if the service is provided.

##### *Targeted Rates*

Targeted rates are set under section 16, 17, 18 and 19, and schedules 2 and 3 of the Act.

The Council has not adopted any lump sum contribution schemes under part 4A of the Act in respect of its targeted rates, and will not accept lump sum contributions in respect of any targeted rate.

The differential rating categories described above are unitised and referred to in a number of targeted rates.

### *Sewerage Targeted Rate*

Targeted sewerage rates are to be apportioned 60 percent:40 percent of rates between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate is set to pay for the cost of the provision and maintenance of the sewage collection and disposal network, and sewage treatment facilities for the city.

This rate is assessed on all rating units connected to the public sewerage drain.

For the purposes of these rates the sewage collection, and disposal and treatment service is treated as being provided to a rating unit if the rating unit is connected to a public sewerage drain (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Act.

Sewerage targeted rate is calculated as follows:

*For rating units incorporated in the Commercial, Industrial and Business differential rating category:*

A rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 40 percent of the required rates funding, after having deducted the total dollar amount budgeted to be collected through Trade Waste Charges (excluding consent fees).

*For rating units incorporated in the Base differential rating category:*

A fixed amount per annum per rating unit, plus a rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 60 percent of the required rate funding.

### *Water Targeted Rate*

A targeted rate for water is to be apportioned with the aim of achieving a 60 percent:40 percent split between properties incorporated under the Base differential rating category and the Commercial, Industrial and Business differential rating category in accordance with the Revenue and Financing Policy.

This rate is set to pay for the provision and maintenance of water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is assessed on all rating units connected to the public water supply.

For the purposes of these rates, the water service is treated as being provided to a rating unit if the rating unit is connected to the public water supply (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatorily non-rateable or 50 percent non-rateable under Schedule 1 of the Act.

Water targeted rate is calculated as follows:

*For rating units incorporated in the Commercial, Industrial and Business differential rating category, either:*

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit.

Or

- b) A rate per dollar of capital value on all rating units connected to the public water supply, without a water meter installed.

*For rating units rated incorporated in the Base differential rating category, either:*

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit.

Or

- b) A fixed amount per annum per rating unit, plus a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed.

#### *Stormwater Targeted Rate*

A targeted stormwater rate is to be apportioned 77.5 percent to the non-rural rating units incorporated under the Base differential and 22.5 percent to the non-rural rating units incorporated under the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate is set to pay for the provision and maintenance of the stormwater collection/disposal network for the city.

Properties classified in the rural area in the Council's District Plan are excluded from the liability of this rate.

Stormwater targeted rate is calculated as follows:

*For the Commercial, Industrial and Business differential rating category:*

A rate per dollar of rateable capital value to collect 22.5 percent of the required rates funding.

*For the Base differential rating category:*

A rate per dollar of rateable capital value to collect 77.5 percent of the required rates funding.

#### *Base Sector Targeted Rate*

This rate is set to pay for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category.

This incorporates the following activities:

- 100 percent of the facilitation of cultural grants, facilitation of recreation partnerships and community advocacy activities.
- 95 percent of the provision of community centres and halls activities.

This rate is assessed on all properties incorporated in the Base differential rating category and is calculated on a rate per dollar of rateable capital value.

#### *Commercial Sector Targeted Rate*

This rate is set to pay for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated in the Commercial, Industrial and Business differential rating category.

This incorporates the following activity:

- Approximately 30 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues. This is the equivalent of 100 percent funding of the events attraction and support activity within WREDA.

This rate is assessed on all properties incorporated in the Commercial, Industrial and Business differential rating category and is calculated on a rate per dollar of rateable capital value.

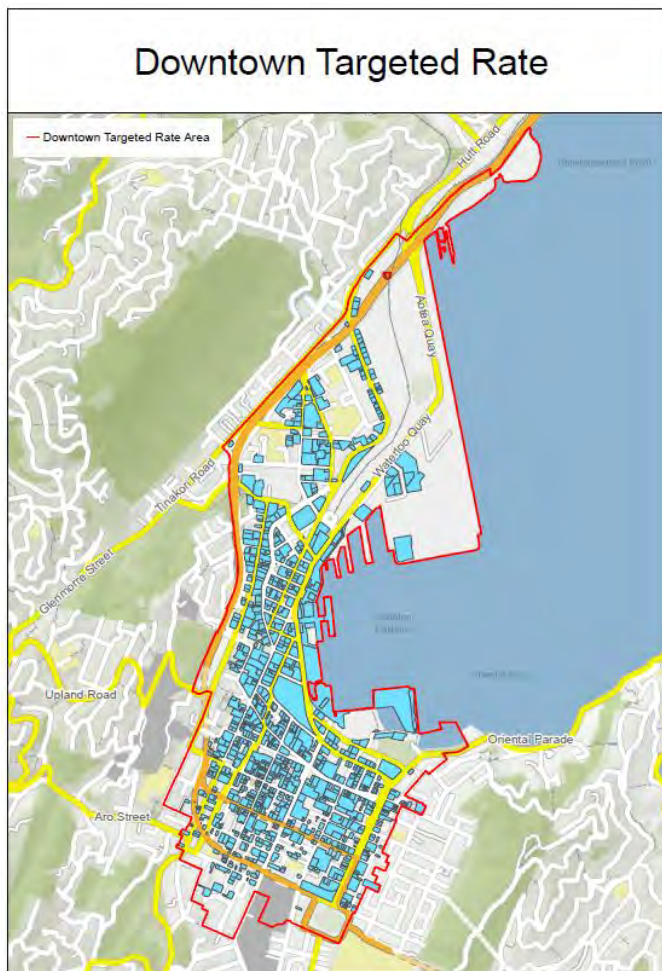
### *Downtown Targeted Rate*

This rate is set to pay for tourism promotion.

This incorporates the following activities:

- 50 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues activities
- 40 percent of the cost of the Wellington Convention Centre activity
- 70 percent of the visitor attractions activity
- 25 percent of galleries and museums activity.

This rate is assessed on all properties incorporated in the Commercial, Industrial and Business differential rating category in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purposes of this rate, the downtown area refers to the area as described by the Downtown Area map as follows:



*The graphic shows the boundaries of the downtown targeted rate*

### *Tawa Driveways Targeted Rate*

This rate is set to pay for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council.



This rate is assessed on a specific group of rating units that have shared access driveway that are maintained by Council in the former Tawa Borough.

The rate is calculated at a fixed amount per annum per rating unit.

*Miramar Business Improvement District Targeted Rate*

This rate is set by Council to fund the Business Improvement District activities of Enterprise Miramar Peninsula Incorporated.

This rate is set is on all rating units within the Miramar Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.



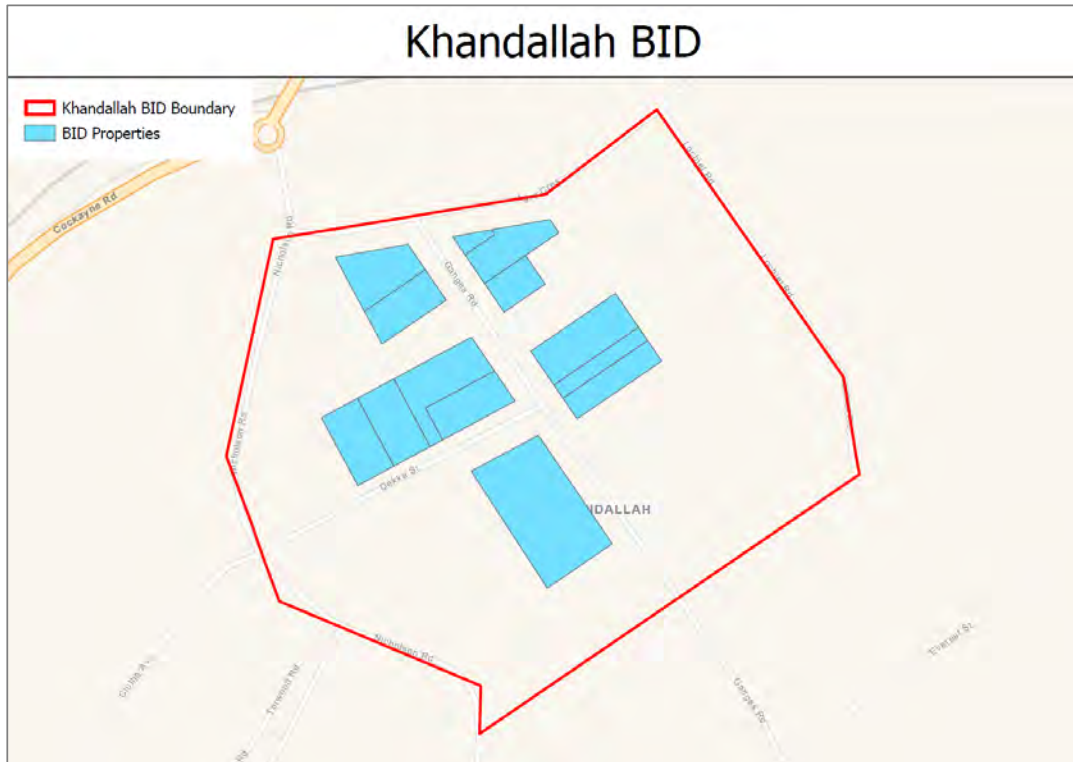
*The graphic shows the boundaries of the Miramar BID*

*Khandallah Business Improvement District Targeted Rate*

This rate is set by Council to fund the Business Improvement District activities of the Khandallah Village Business Association.

This rate is assessed on all rating units within the Khandallah Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a rate per dollar of rateable capital value.



The graphic shows the boundaries of the Khandallah BID

*Kilbirnie Business Improvement District Targeted Rate*

This rate is set by Council to fund the Business Improvement District activities of the Kilbirnie Business Network.

This rate is set on all rating units within the Kilbirnie Business Improvement District (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.

### Kilbirnie BID Expansion





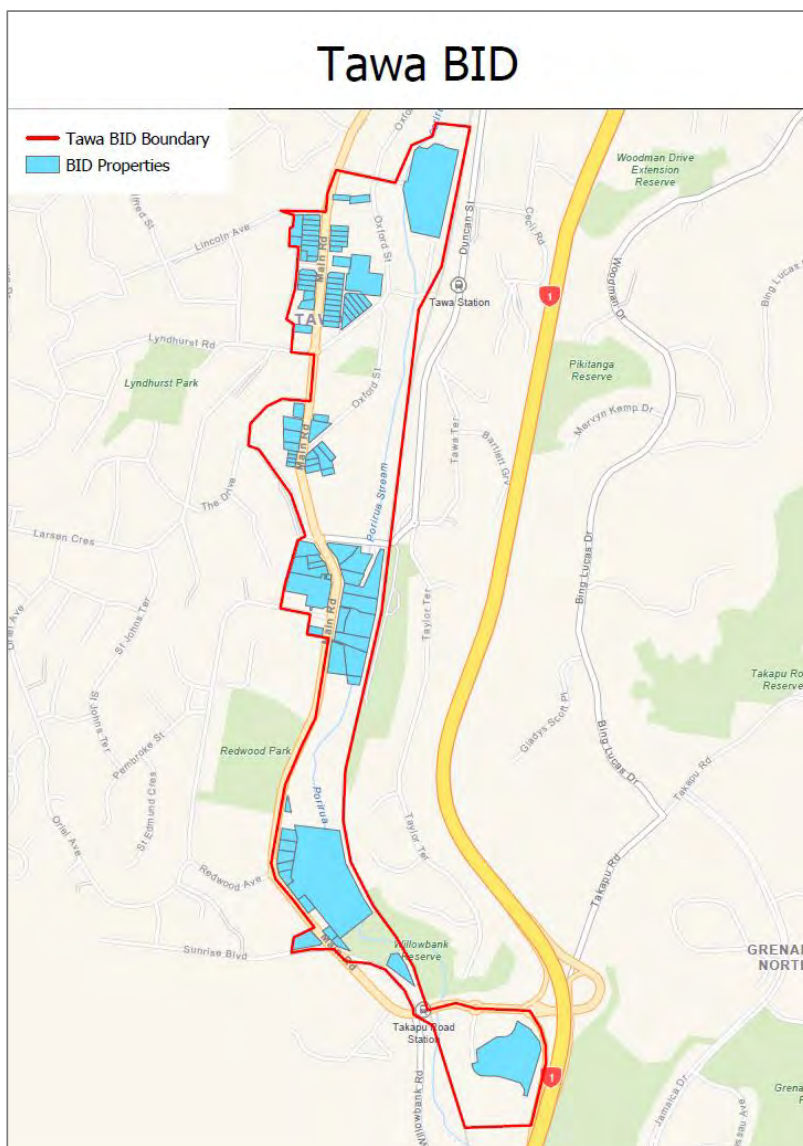
The graphic shows the boundaries of the Kilbirnie BID

**Tawa Business Improvement District Targeted Rate**

This rate is set by Council to fund the Business Improvement District activities of the Tawa Business Network.

This rate is assessed on all rating units within the Tawa Business Improvement District area (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a fixed amount per rating unit, plus a rate per dollar of rateable capital value.



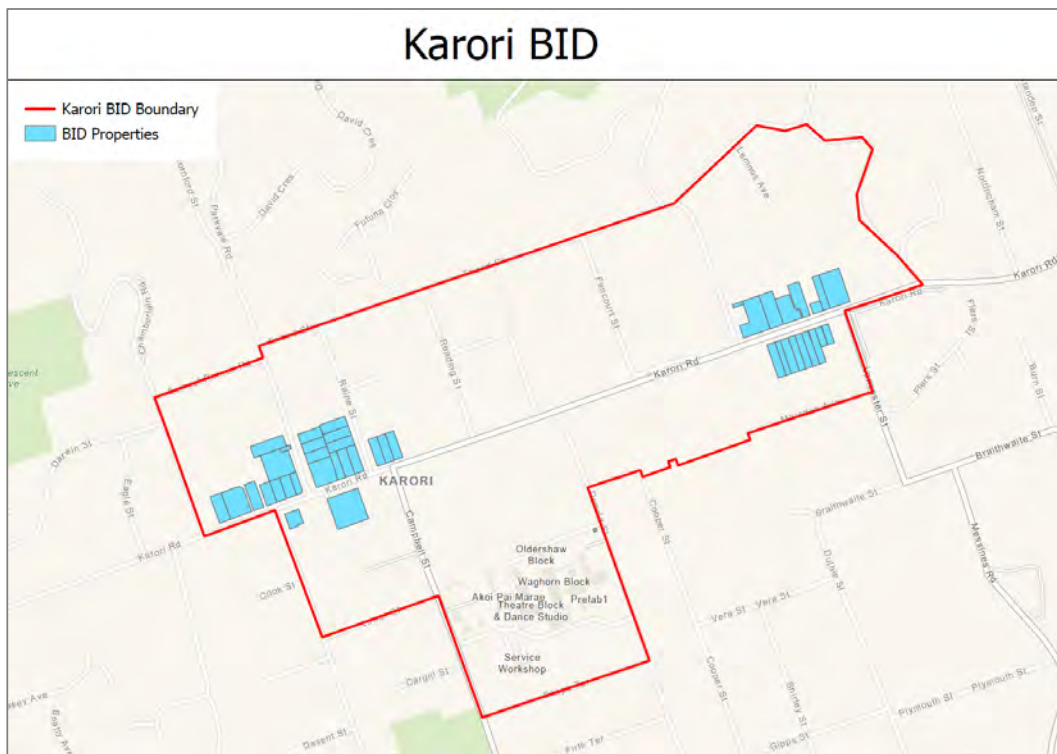
The graphic shows the boundaries of the Tawa BID

*Karori Business Improvement District Targeted Rate*

This rate is set by Council to fund the Business Improvement District activities of the Karori Business Association.

This rate is assessed on all rating units within the Karori Business Improvement District area (see map) which are subject to the Commercial, Industrial and Business differential rating category.

This rate is calculated as a rate per dollar of rateable capital value.



*The graphic shows the boundaries of the Karori BID*

2022/23 Funding Impact Statement - Rates Funding Statement (excluding GST)

Rate	Category	Factor	Differential Charge Type	Total Value of Factor	Rate/charge*	Rates yield GST Exclusive
General Rate	Base	Capital Value	Base differential	\$95,279,056,000	¢0.159985	\$152,432,198
	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential	\$19,671,430,000	¢0.591726	\$116,400,966
	<b>TOTAL</b>					
Sewerage targeted rate	Base	Fixed amount / rating unit	Base differential per connection status	70900 properties	\$116.36	\$8,249,924
		Capital Value	Base differential per connection status	\$99,101,706,000	¢0.020597	\$20,411,978
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business differential per connection status	\$16,847,546,000	¢0.108295	\$18,245,050
	<b>TOTAL</b>					
Water targeted rate	Base	Fixed amount / rating unit	Base differential per connection status without a water meter	62114 properties	\$178.65	\$11,096,429
		Capital Value	Base differential per connection status without a water meter	\$83,823,127,000	¢0.021758	\$18,238,236
	Base	Consumption unit charge	Base differential per connection status with a water meter	n/a	\$3.045 / m <sup>3</sup>	\$700,676
		Fixed amount / rating unit	Base differential per connection status with a water meter	n/a	\$145.19	\$93,938
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business differential per connection status without a water meter	\$1,040,371,000	¢0.270096	\$2,810,000

	Commercial, Industrial & Business	Consumption unit charge	Commercial, industrial and business differential per connection status with a water meter	n/a	\$3.045 / m <sup>3</sup>	\$16,816,220
		Fixed amount / rating unit	Commercial, industrial and business differential per connection status with a water meter	n/a	\$145.19	\$459,381
	<b>TOTAL</b>					<b>\$50,214,880</b>
<b>Stormwater targeted rate</b>	Base	Capital Value	Base differential (excluding land defined in the rural activity area)	\$93,985,180,000	¢0.023914	<b>\$22,475,616</b>
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business differential (excluding land defined in the rural activity area)	\$17,670,797,000	¢0.036925	<b>\$6,524,942</b>
	<b>TOTAL</b>					<b>\$29,000,558</b>
<b>Base sector targeted rate</b>	Base	Capital Value	Base differential	\$95,378,015,000	¢0.010676	<b>\$10,182,557</b>
<b>Commercial sector targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential	\$19,576,518,000	¢0.027478	<b>\$5,379,236</b>
<b>Downtown targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the downtown area	\$12,884,804,000	¢0.109718	<b>\$14,136,949</b>
<b>Tawa driveways targeted rate</b>	Base	Fixed amount / rating unit	Shared residential access driveways maintained by Council in the suburb of Tawa (extent of provision of service)	257 properties	\$133.33	<b>\$34,266</b>
<b>Karori Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the Karori Business Improvement District area	\$74,534,000	¢0.080500	<b>\$60,000</b>

<b>Khandallah Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business differential located in the Khandallah Business Improvement District area	\$27,286,000	¢0.073298	<b>\$20,000</b>
<b>Kilbirnie Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Kilbirnie Business Improvement District area	205 properties	\$500.00	<b>\$102,500</b>
		Capital Value	Commercial, industrial & business differential located in the Kilbirnie Business Improvement District area	\$607,075,757	¢0.007824	<b>\$47,500</b>
	<b>TOTAL</b>					
<b>Tawa Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Tawa Business Improvement District area	72 properties	\$520.00	<b>\$37,440</b>
		Capital Value	Commercial, industrial & business differential located in the Tawa Business Improvement District area	\$197,272,952	¢0.029178	<b>\$57,560</b>
	<b>TOTAL</b>					
<b>Miramar Business Improvement District targeted rate</b>	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business differential located in the Miramar Business Improvement District area	123 properties	\$365.00	<b>\$44,895</b>
		Capital Value	Commercial, industrial & business differential located in the Miramar Business Improvement District area	\$422,731,785	¢0.010372	<b>\$43,845</b>
	<b>TOTAL</b>					
<b>TOTAL RATES REQUIREMENT (excluding GST)</b>						<b>\$425,102,302</b>

**\*Note:**

When rates for 2022/23 are assessed, GST will be applied to the final rates. The total rates requirement includes rates remissions but excludes rates penalties which are budgeted separately.

The total rates requirement (excluding GST) differs from the revenue from rates in Forecast Statement of Comprehensive Revenue and Expense as the revenue from rates includes penalties not included in this statement.

**Rates Increases**

	2022/23 Annual Plan			Year on Year % Increase		
	Commercial	Base	Total	Commercial	Base	Total
General Rate	\$116,400,966	\$152,432,198	<b>\$268,833,164</b>	16.7%	20.6%	18.9%
Sector Targeted	<b>\$5,379,236</b>	<b>\$10,182,557</b>	\$15,561,792	-5.9%	-3.1%	-4.1%
Downtown Targeted	<b>\$14,136,949</b>	-	<b>\$14,136,949</b>	-0.6%	0.0%	-0.6%
Water	\$20,085,602	\$30,129,279	<b>\$50,214,880</b>	-9.7%	-9.7%	-9.7%
Sewerage	\$18,245,050	\$28,661,902	<b>\$46,906,95</b>	-7.5%	-7.0%	-7.2%
Storm Water	<b>\$6,524,942</b>	<b>\$22,475,616</b>	<b>\$29,000,558</b>	2.0%	2.0%	2.0%
BIDs and Tawa Driveways	<b>\$413,740</b>	<b>\$34,266</b>	\$448,006	0.4%	0%	0.4%
<b>Total</b>	<b>\$181,186,484</b>	<b>\$243,915,818</b>	<b>\$425,102,302</b>	<b>7.6%</b>	<b>9.3%</b>	<b>8.6%</b>
<b>Sector Growth</b>				1.4%	0.4%	0.6%
<b>Rates increase per sector after growth</b>				6.1%	8.9%	8.0%

### Indicative rates

The following table shows the indicative residential and commercial property rates inclusive of GST for a selection of billing categories, based on the 2022/23 budget:

Indicative residential property (for properties without a water meter)			Indicative suburban commercial property rates (for properties with a water meter)*			Indicative downtown commercial property rates (for properties with a water meter)*		
Capital Values	2022/23 Proposed Rates	Increase over 2021/22	Capital Values	2022/23 Proposed Rates	Increase over 2021/22	Capital Values	2022/23 Proposed Rates	Increase over 2021/22
400,000	1,429	6.29%	1,000,000	8,956	7.31%	1,000,000	10,216	6.33%
500,000	1,701	6.99%	1,250,000	11,153	7.39%	1,250,000	12,728	6.39%
600,000	1,974	7.50%	1,500,000	13,351	7.44%	1,500,000	15,241	6.43%
700,000	2,246	7.89%	1,750,000	15,548	7.47%	1,750,000	17,753	6.46%
800,000	2,518	8.20%	2,000,000	17,745	7.50%	2,000,000	20,265	6.48%
900,000	2,791	8.45%	2,250,000	19,942	7.52%	2,250,000	22,777	6.50%
1,000,000	3,063	8.66%	2,500,000	22,140	7.54%	2,500,000	25,290	6.51%
1,100,000	3,336	8.83%	2,750,000	24,337	7.55%	2,750,000	27,802	6.53%
1,200,000	3,608	8.98%	3,000,000	26,534	7.57%	3,000,000	30,314	6.54%
1,300,000	3,880	9.11%	3,250,000	28,731	7.58%	3,250,000	32,827	6.54%
1,400,000	4,153	9.22%	3,500,000	30,929	7.58%	3,500,000	35,339	6.55%
1,500,000	4,425	9.32%	3,750,000	33,126	7.59%	3,750,000	37,851	6.56%
1,600,000	4,697	9.40%	4,000,000	35,323	7.60%	4,000,000	40,363	6.56%
1,700,000	4,970	9.48%	4,250,000	37,520	7.60%	4,250,000	42,876	6.57%
1,800,000	5,242	9.55%	4,500,000	39,718	7.61%	4,500,000	45,388	6.57%
1,900,000	5,515	9.61%	4,750,000	41,915	7.61%	4,750,000	47,900	6.57%
2,000,000	5,787	9.67%	5,000,000	44,112	7.62%	5,000,000	50,412	6.58%

\*Excludes water by consumption which are charged based on consumption

**Projected property information**

<b>Projected property information at 30 June 2022</b>	
Rating Units	81,209
Capital Value	\$123,246,799,151
Land value	\$79,087,534,201



## Financial statements

### Forecast Statement of Comprehensive Revenue and Expense For the year 2022/23

	LTP 2022/23	Annual Plan 2022/23	Variance to LTP
	\$0	\$0	\$0
<b>Revenue</b>			
Rates	430,663	426,357	-4,306
Development contributions	3,500	3,500	0
Grants, subsidies and reimbursements	43,471	40,277	-3,194
Other operating activities	170,600	167,489	-3,111
Investments revenue	12,606	12,294	-312
Fair value gains	8,256	7,046	-1,210
Other revenue	1,100	1,101	1
Finance revenue	13	13	0
<b>Total Revenue</b>	<b>670,209</b>	<b>658,077</b>	<b>-12,132</b>
<b>Expense</b>			
Finance expense	32,026	41,375	9349
Expenditure on operating activities	472,188	497,220	25032
Depreciation and amortisation expense	168,381	187,605	19224
<b>Total Expense</b>	<b>672,595</b>	<b>726,200</b>	<b>53,605</b>
<b>Total operating surplus/(deficit)</b>	<b>-2,386</b>	<b>-68,123</b>	<b>-65,737</b>
Share of equity accounted surplus from associates and jointly controlled entity	-	-	-

<b>Net surplus before taxation</b>	<b>-2,386</b>	<b>-68,123</b>	<b>-65,737</b>
Income tax expense	-	-	-
<b>Net Surplus</b>	<b>-2,386</b>	<b>-68,123</b>	<b>-65,737</b>
<b>Other comprehensive revenue and expense</b>			
<i>Items that will not be reclassified to surplus/(deficit)</i>			
Revaluations:			
Fair value movement - property, plant and equipment - net	305,266	0	-305,266
Cash flow hedges:			
Fair value movement - net			
Fair value through other comprehensive income			
Fair value movement - financial assets - net			
<b>Total other comprehensive revenue and expense</b>	<b>305,266</b>	<b>0</b>	<b>-305,266</b>
<b>Total Comprehensive Revenue and Expense</b>	<b>302,880</b>	<b>-68,123</b>	<b>-371,003</b>

Prospective Statement of Financial Position For the year 2022/23

	LTP 2022/23 \$0	Annual Plan 2022/23 \$0	Variance to LTP \$0
<b>Assets</b>			
<i>Current assets</i>			
Cash and cash equivalents	20,657	26,481	5,824
Other financial assets	135,500	112,500	-23,000
Receivables and recoverables	71,232	69,915	-1,317
Inventories	1,549	787	-762
Other financial asset	0	0	0
Prepayments	15,837	19,123	3,286
<b>Total current assets</b>	<b>244,775</b>	<b>228,806</b>	<b>-15,969</b>
<i>Non-current assets</i>			
Derivatives - non-current assets	0	7,821	7,821
Other financial assets	16,131	19,581	3,450
Intangible Assets	116,789	41,617	-75,172
Investment Properties	282,565	296,513	13,948
Property, plant and equipment	8,621,764	10,492,077	1,870,313
Investment in subsidiaries	5,998	5,998	0
Investment in associates	19,033	19,474	441
<b>Total non-current assets</b>	<b>9,062,280</b>	<b>10,883,081</b>	<b>1,820,801</b>
<b>Total Assets</b>	<b>9,307,055</b>	<b>11,111,887</b>	<b>1,804,832</b>
<b>Liabilities</b>			

<i>Current liabilities</i>			
Derivative financial liabilities	709	1,798	1,089
Trade and other payables	68,939	71,886	2,947
Deferred revenue	17,755	19,751	1,996
Borrowings	135,500	111,816	-23,684
Provisions for other liabilities	4,627	5,551	924
Employee benefit liabilities and provisions	12,390	13,116	726
<b>Total current liabilities</b>	<b>239,920</b>	<b>223,918</b>	<b>-16,002</b>
<i>Non-current liabilities</i>			
Derivative financial liabilities	106,331	53,045	-53,286
Borrowings	1,249,394	1,362,430	113,036
Provisions for other liabilities	33,307	44,727	11,420
Employee benefit liabilities and provisions	1,400	1,246	-154
<b>Total non-current liabilities</b>	<b>1,390,432</b>	<b>1,461,448</b>	<b>71,016</b>
<b>Total Liabilities</b>	<b>1,630,352</b>	<b>1,685,366</b>	<b>55,014</b>
<b>Equity</b>			
Accumulated funds and retained earnings	5,041,757	5,010,862	-30,895
Revaluation reserves	2,720,693	4,437,653	1,716,960
Hedging Reserve	-107,041	-47,022	60,019
Fair value through other comprehensive income reserve	5,085	6,029	944
Restricted funds	16,208	18,999	2,791
<b>Total Equity</b>	<b>7,676,702</b>	<b>9,426,521</b>	<b>1,749,819</b>
<b>Total Equity and Liabilities</b>	<b>9,307,054</b>	<b>11,111,887</b>	<b>1,804,833</b>

Prospective Statement of Changes in Equity For the year 2022/23

	Estimate	Annual Plan 2022/23 \$0	Variance to LTP \$0
	LTP 2022/23 \$0		
<b>Equity - opening balances</b>			
Accumulated funds and retained earnings	5,044,157	5,078,999	34,842
Revaluation reserves	2,415,427	4,437,653	2,022,226
Hedging reserve	-107,041	-47,022	60,019
Fair value through other comprehensive revenue and expense reserve	5,085	6,029	944
Restricted funds	16,194	18,985	2,791
<b>Total Equity - opening balances</b>	<b>7,373,822</b>	<b>9,494,644</b>	<b>2,120,822</b>
<b>Changes in Equity</b>			
<i>Retained earnings</i>			
Net surplus for the year	-2,386	-68,123	-65,737
Transfer to restricted funds	-3,504	-3,439	65
Transfer from restricted funds	3,490	3,425	-65
Transfer from revaluation reserves	-	-	-
Transfer to revaluation reserves	-	-	-
<i>Revaluation reserves</i>			
Fair value movement - property, plant and equipment - net	305,266	0	-305,266
Transfer to retained earnings	-	-	-

<i>Hedging reserve</i>			-
Movement in hedging reserve	-	-	-
			-
<i>Fair value through other comprehensive revenue and expense reserve</i>			-
Movement in fair value		-	-
			-
<i>Restricted Funds</i>			-
Transfer to retained earnings	3,504	3,439	-65
Transfer from retained earnings	-3,490	-3,425	65
<b>Total comprehensive revenue and expense</b>	<b>302,880</b>	<b>-68,123</b>	<b>-371,003</b>
<b>Net Equity - Closing Balances</b>			
Accumulated funds and retained earnings	5,041,757	5,010,862	-30,895
Revaluation reserves	2,720,693	4,437,653	1,716,960
Hedging reserve	-107,041	-47,022	60,019
Fair value through other comprehensive revenue and expense reserve	5,085	6,029	944
Restricted funds	16,208	18,999	2,791
<b>Total Equity - closing balances</b>	<b>7,676,702</b>	<b>9,426,521</b>	<b>1,749,819</b>

Prospective Statement of Cash Flows For the year 2022/23

	LTP 2022/23 \$0	Annual Plan 2022/23 \$0	Variance to LTP \$0
<b>Cash flows from operating activities</b>			
Receipts from rates - Council	429,608	427,313	-2,295
Receipts from rates - Greater Wellington Regional Council	90,217	89,736	-481
Receipts from activities and other income	169,366	169,761	395
Receipts from grants and subsidies - operating	10,148	9,558	-590
Receipts from grants and subsidies - capital	36,824	32,014	-4,810
Receipts from investment property lease rentals	10,706	10,394	-312
Cash paid to suppliers and employees	-418,147	-444,333	-26,186
Rates paid to Greater Wellington Regional Council	-90,217	-89,736	481
Grants paid	-50,526	-48,944	1,582
Net GST (paid) / received			
<b>Net cash flows from operating activities</b>	<b>187,979</b>	<b>155,763</b>	<b>-32,216</b>
<b>Cash flows from investing activities</b>			
Dividends received	1,900	1,900	-
Interest received	13	13	-
Proceeds from sale of investment properties	-	-	-
Proceeds from sale of property, plant and equipment	30,400	5,400	-25,000
Increase in investments	-	-	0
Loan advances made	-	-	-
Purchase of investment properties	-	-	-
			97

Purchase of Intangibles	-4,136	-	5,038	-902
Purchase of property, plant and equipment	-363,885	-	399,420	-35,535
<b>Net cash flows from investing activities</b>	<b>-335,708</b>		<b>-397,145</b>	<b>-61,437</b>
<b>Cash flows from financing activities</b>				
New borrowings	387,993		507,234	119,241
Repayment of borrowings	-209,000		-209,000	0
Interest paid on borrowings	-32,026		-41,375	-9,349
<b>Net cash flows from financing activities</b>	<b>146,967</b>		<b>256,859</b>	<b>109,892</b>
Net increase/(decrease) in cash and cash equivalents	-762		15,477	16,239
Cash and cash equivalents at beginning of year	21,419		11,004	-10,415
<b>Cash and cash equivalents at end of year</b>	<b>20,657</b>		<b>26,481</b>	<b>5,824</b>



Prospective statement of changes in restricted funds For the period ended 2022/23

	Opening balance	Deposits	Expenditure	Closing balance	
	2022/23			2031/32	
	\$000	\$000	\$000	\$000	Purpose
<b>Special reserves and funds</b>					
Reserve purchase and development fund	782	-	-	782	
City growth fund	4,741	21,523	(21,523)	4,741	
Insurance reserve	12,979	16,823	(16,823)	12,979	Allows the Council to meet the uninsured portion of insurance claims
<b>Total special reserves and funds</b>	<b>18,502</b>	<b>38,346</b>	<b>(38,346)</b>	<b>18,502</b>	
<b>Trusts and bequests</b>					
A Graham Trust	4	2	-	6	For the upkeep of a specific area of Karori Cemetery
A W Newton Bequest	361	140	(45)	456	For the benefit of art (Fine Arts Wellington), education (technical and other night schools) and athletics (rowing)
E A McMillan Estate	6	-	-	6	For the benefit of the public library
E Pengelly Bequest	19	5	-	24	For the purchase of children's books
F L Irvine Smith Memorial	9	2	-	11	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	2	-	7	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	5	2	-	7	For the purchase of children's books
Kirkaldie and Stains Donation	17	-	-	17	For the beautification of the BNZ site
QEII Memorial Book Fund	24	8	-	32	For the purchase of books on the Commonwealth
Schola Cantorum Trust	9	3	-	12	For the purchase of musical scores
Terawhiti Grant	10	-	-	10	To be used on library book purchases
Wellington Beautifying Society Bequest	14	-	-	14	To be used on library book purchases
<b>Total trusts and bequests</b>	<b>483</b>	<b>164</b>	<b>(45)</b>	<b>602</b>	
<b>Total restricted funds</b>	<b>18,985</b>	<b>38,510</b>	<b>(38,391)</b>	<b>19,104</b>	

#### EXPLANATION OF SURPLUS/DEFICIT

The following are items that are presented in the Prospective Statement of Comprehensive Revenue and Expense but do not offset rates.

	\$000's
<b>Balanced Budget</b>	0
	<b>2022/23</b>
<b>Depreciation not funded by rates:</b>	
<i>Depreciation collected for capital assets that will not be renewed</i>	
NZTA Transport funded projects	(15,797)
General	(30)
Moa Point sewerage treatment plant	0
Decommissioned Living Earth joint venture plant	0
Wellington Waterfront Limited Depreciation	(2,276)
Civic Campus	0
Unfunded Depreciation on 3 Waters Network	(60,121)
Sludge Minimisation Depreciation	0
<b>Total depreciation not funded by rates</b>	<b>(78,224)</b>
<b>Revenue received for capital purposes:</b>	
<i>Funding received from external parties for major capital expenditure projects</i>	
NZTA capital funding	28,514
Housing ring-fenced surplus	(12,904)
Waste Min surplus	(231)
Development contributions	3,500
Bequests, trust and other external funding	2,290
<b>Total Revenue received for capital purposes</b>	<b>21,169</b>
<b>Items funded from prior year surpluses:</b>	
City Growth Fund	0
Civic Campus	0
Capital of Culture	0

Total items funded from prior year surplus	0
Additional operational expenditure items:	
<i>Operational expenditure items identified as equitable to be funded through other funding mechanisms</i>	
Weathertight Homes funding	4,686
Ngauranga to Airport Contribution to NZTA	94
Cable car	125
SIIP 1	197
SIIP 2	71
SIIP 3	59
Alex Moore Park - Johnsonville	38
Westpac Stadium	238
Odyssey - Tech1 project	0
Marine Conservation Centre	0
Toitu Pōneke grant - Alex Moore transfer	49
Petone to Ngauranga Cycleway Grant	375
Let's get Welly Moving	(8,574)
Kilbirnie Bowling club demolition	0
Shelly Bay Grant - reverse when vested assets return	(2,500)
CC & MM Debt fund - construction phase	(4,376)
Library Popup	193
Library Popup	101
Library Popup	48
3 Waters	597
R & F Non Compliance	1,498
2019/20 Revenue loss	874
WIAL Dividend	(9,604)
3 Waters 2019/20 Mt Albert Repairs	1,014
Underground market closure - loss of revenue	2
Chaffer Marina - shareholder capital contribution	4
Clyde Quay Wharf Sinking Fund	12

CCO Covid Response Support	500
Earthquake Prone Buildings	300
MOB/CAB Demo Costs	(1,784)
Tanglewood House Grant	38
Capital Gym Loan	0
Te Motu Kairangi - 2020/21 ring fenced expenditure	0
Sky Show - 2020/21 ring fenced expenditure	0
CCO Covid Response Support - 2020/21 ring fenced expenditure	0
COVID support package	99
Sky stadium	150
WOW	362
Water rates shortfall	
Earthquake Prone Buildings -2021/22 ring fenced	(3,000)
Environmental and accessibility fund	0
Fair value movement on investment property revaluation (per Fin Perf)	7,046
Vested asset revenue (per Fin Perf)	
<b>Total additional items</b>	<b>(11,068)</b>
<b>Total Surplus / Deficit</b>	<b>(68,123)</b>

## Summary of accounting policies

The following indicative financial statements show the 2022/23 financial year's income and expenditure, and financial position.

### BALANCED BUDGET

The Council operates a "balanced budget". This means that rates only fund what is required to pay for the services delivered each year.

Note that the prospective statement of comprehensive financial performance shows a deficit, this is due to the change in the approach of funding "3 waters" depreciation from rates to debt funding of this operational expenditure to an amount equal to the difference between depreciation and capital expenditure renewals. This change in rate funding approach has arisen from the revaluation of water assets which has increased significantly in value and that of depreciation expense after the consultation period of the Annual Plan. Which meant residents weren't able to be advised of this impact on rates prior to consultation.

So although there is a net deficit, the Council does not budget or rate to make an operating profit or deficit.

The Funding and Financial Statements attached are based on the project and programmes outlined and are informed by the Financial Strategy and significant forecasting assumptions.

### REPORTING ENTITY

Wellington City Council is a territorial local authority governed by the Local Government Act 2002.

The primary objective of the Council is to provide goods or services for community or social benefits rather than making a financial return. As a defined public entity under the Public Audit Act 2001, for the purposes of financial reporting, the Council is audited by the Auditor General, and is classed as a Public Sector Public Benefit Entity.

These prospective financial statements are for Wellington City Council (the Council) as a separate legal entity. Consolidated prospective financial statements comprising the Council and its controlled entities, joint ventures and associates have not been prepared.

### BASIS OF PREPARATION

#### Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The prospective financial statements have been prepared to comply with Public Benefit

Entity Accounting Standards (PBE Accounting Standards) for a Tier 1 entity. A Tier 1 entity is defined as being either publicly accountable or large (i.e. expenses over \$30m).

The reporting period for these prospective financial statements is the 9-year period ending 30 June 2031. The prospective financial statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

### Measurement base

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. For investment property, non-current assets classified as held for sale and items of property, plant and equipment which are revalued, the fair value is determined by reference to market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction.

Amounts expected to be recovered or settled more than one year after the end of the reporting period are recognised at their present value. The present value of the estimated future cash flows is calculated using applicable inflation factors and a discount rate.

### Transition to PBE IPSAS 41 – *Financial Instruments*

A new accounting standard, PBE IPSAS 41 Financial Instruments, is applicable for this LTP amendment 2022-32 and supersedes the former PBE IPSAS 29 Financial instruments: Recognition and Measurement.

The main differences between PBE IPSAS 29 and PBE IPSAS 41 relate to the classification of financial assets and liabilities, impairment and hedge accounting. The Council does not consider that the financial information will be materially different under this new standard.

#### Classification of financial assets and liabilities

The Council has completed a detailed assessment of its financial assets and financial liabilities as at 1 July 2022, the date of transition to this new standard. The following table shows the original classification under PBE IPSAS 29 and the new classification under PBE IPSAS 41:

Financial asset / liability	Measurement category		Value at 1 July 2022	
	Current treatment under PBE IPSAS 29	New treatment under PBE IPSAS 41	Original measurement under PBE IPSAS 29	New measurement under PBE IPSAS 41
<b>Financial assets</b>				
Cash and cash equivalents	Amortised cost	Amortised cost	84,349	84,349
Bank deposits < 3 months	Amortised cost	Amortised cost	61,500	61,500
Bank deposits > 3 months	Amortised cost	Amortised cost	0	0
LGFA borrower notes	Amortised cost	Amortised cost	14,902	14,902
Loans to related parties	Amortised cost	Amortised cost	892	892
Equity investment – civic financial services	FVTOCRE	FVTOCRE	507	507
Equity investment – LGFA	FVTOCRE	FVTOCRE	7,865	7,865
Trade receivables and recoverables	Amortised cost	Amortised cost	34,056	34,056
Accrued revenue	Amortised cost	Amortised cost	14,065	14,065
Sundry receivables	Amortised cost	Amortised cost	12,935	12,935
Other financial assets	Amortised cost	Amortised cost	7,821	7,821
<b>Total financial assets</b>			<b>238,892</b>	<b>238,892</b>
<b>Financial liabilities</b>				
Borrowings	Amortised cost	Amortised cost	908,652	908,652
Trade payables and accruals	Amortised cost	Amortised cost	72,108	72,108
Interest payable	Amortised cost	Amortised cost	0	0
Sundry payables	Amortised cost	Amortised cost	0	0
GWRC rates	Amortised cost	Amortised cost	6,693	6,693
Other	Amortised cost	Amortised cost	4,194	4,194
Interest rate swaps – cash flow hedges	FVTOCRE	FVTOCRE	54,843	54,843
<b>Total financial liabilities</b>			<b>1,046,490</b>	<b>1,046,490</b>

### **Impairment**

PBE IPSAS 41 prescribes an expected credit loss model instead of the previous incurred loss model meaning that it is no longer necessary to have an impairment trigger event before recognising impairment losses. The required change in impairment model is immaterial to the Council as impairments are not usually significant when considering prospective financial statements.

### **Hedge accounting**

PBE IPSAS 41 introduces a hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. There is no change for the Council when applying this new model as all of our swaps are currently hedged therefore hedging requirements under PBE IPSAS 41 can be continued as they were under PBE IPSAS 29.

### **JUDGEMENTS AND ESTIMATIONS**

The preparation of prospective financial statements using PBE accounting standards requires the use of judgements, estimates and assumptions. Where material, information on the main assumptions is provided in the "Significant forecasting assumptions".

The estimates and assumptions are based on historical experience as well as other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates and these variations may be material.

The estimates and assumptions are reviewed on an ongoing basis and adjustments are made where necessary.

## REVENUE

Revenue comprises rates, revenue from operating activities, investment revenue, gains, finance and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

### Revenue from exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity or individual and directly receives approximately equal value in a willing arm's length transaction (primarily in the form of cash in exchange).

### Revenue from non-exchange transactions

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

### Approximately equal value

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Some goods or services that the Council provides (e.g. the sale of goods at market rates) are defined as being exchange transactions. Only a few services provided by the Council operate on a full user pays, cost recovery or breakeven basis and these are considered to be exchange transactions unless they are provided at less than active and open market prices.

Most of the services that the Council provides for a fee are subsidised by rates and therefore do not constitute an approximately equal exchange. Accordingly, most of the Council's revenue is categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below:

### *Rates*

Rates are set annually by resolution from the Council and relate to a particular financial year. All ratepayers are invoiced within the financial year for which the rates have been set. Rates revenue is recognised in full as at the date when rate assessment notices are sent to the ratepayers. Rates are a tax as they are payable under the Local Government Ratings Act 2002 and are therefore defined as non-exchange.

Water rates by meter are regulated in the same way as other rates and are taxes that use a specific charging mechanism to collect the rate. However, as the water rates are primarily charged on a per unit of consumption basis, water rates by meter are considered to be more in the nature of an exchange transaction. Revenue from water rates by meter is recognised as an accrual based on usage.

### *Operating activities*

Revenue from operating activities is generally measured at the fair value of consideration received or receivable.



The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

**Grants, subsidies and reimbursements**

Grants and subsidies are recognised as revenue immediately except to the extent a liability is also recognised in respect of the same grant or subsidy. A liability is recognised when the grant or subsidy received are subject to a condition such that the Council has the obligation to return those funds received in the event that the conditions attached to them are breached. As the Council satisfies the conditions, the carrying amount of the liability is reduced and an equal amount is recognised as revenue.

Reimbursements (eg NZ Transport Agency roading claim payments) are recognised upon entitlement, which is when conditions relating to the eligible expenditure have been fulfilled.

**Development contributions**

Development contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. In the event that the Council is unable to provide the service immediately, or the development contribution is refundable, the Council will recognise an asset and a liability and only recognise revenue when the Council has met the obligation for which the development contribution was charged.

**Rendering of services**

Revenue from exchange transactions is recognised by reference to the stage of completion of the transaction at the reporting date.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised.

**Fines and penalties**

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed. In particular the fair value of parking related fines is determined based on the probability of collection considering previous collection history and a discount for the time value of money.

**Sale of goods**

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

*Investment revenues*

**Dividends**

Dividends from equity investments, other than those accounted for using equity accounting, are classified as exchange revenue and are recognised when the Council's right to receive payment has been established.

**Investment property lease rentals**

Lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

### *Other revenue*

#### **Donated, subsidised or vested assets**

Where a physical asset is acquired for nil or nominal consideration, with no conditions attached, the fair value of the asset received is recognised as non-exchange revenue when the control of the asset is transferred to the Council.

#### **Gains**

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities.

### *Finance revenue*

#### **Interest**

Interest revenue is exchange revenue and recognised using the effective interest rate method.

#### **Donated services**

The Council benefits from the voluntary service of many Wellingtonians in the delivery of its activities and services (eg beach cleaning and Otari-Wilton's Bush guiding and planting). Due to the difficulty in determining the precise value of these donated services with sufficient reliability, donated services are not recognised in these prospective financial statements.

## **EXPENSES**

Specific accounting policies for major categories of expenditure are outlined below:

### *Operating activities*

#### **Grants and sponsorships**

Expenditure is classified as a grant or sponsorship if it results in a transfer of resources (eg cash or physical assets) to another entity or individual in return for compliance with certain conditions relating to the operating activities of that entity. It includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Council. Grants and sponsorships are distinct from donations that are discretionary or charitable gifts. Where grants and sponsorships are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled.

### *Finance expense*

#### **Interest**

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred.

### *Depreciation and amortisation*

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

## **TAXATION**

The Council, as a local authority, is only liable for income tax on the surplus or deficit for the year derived from any Council controlled trading organisations and comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, plus any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the assets and liabilities, and the unused tax losses using tax rates enacted or substantively enacted at the end of the reporting period. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

### **GOODS AND SERVICES TAX (GST)**

All items in the prospective financial statements are exclusive of GST, except for receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

### **FINANCIAL INSTRUMENTS**

#### **New accounting policies under PBE IPSAS 41**

#### **Financial classification**

Financial instruments include financial assets (measured at amortised cost, measured at fair value through surplus or deficit or measured at fair value through other comprehensive revenue and expense), financial liabilities (measured at amortised cost) and derivative financial instruments. Financial instruments are initially recognised on trade-date at their fair value plus transaction costs. Subsequent measurement of financial instruments depends on the classification determined by the Council. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial instruments are classified into the categories outlined below based on the purpose for which they were acquired. The classification is determined at initial recognition and re-evaluated at the end of each reporting period.

#### **Financial assets**

Financial assets are classified as either financial assets at amortised cost, financial assets at fair value through surplus or deficit or financial assets at fair value through other comprehensive revenue and expense.

Financial assets at amortised cost comprise cash and cash equivalents, trade and other receivables and loans and deposits.

Cash and cash equivalents comprise cash balances and call deposits with maturity dates of 3 months or less.

Receivables and recoverables have fixed or determinable payments. They arise when the Council provides money, goods or services directly to a debtor, and has no intention of trading the receivable or recoverable.

Loans and deposits include loans to other entities (including subsidiaries and associates), and bank deposits with maturity dates of more than 3 months.

Financial assets in this category are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the

reporting date for assets of a similar maturity and credit risk. Receivables and recoverables due in less than 12 months are recognised at their nominal value.

Financial assets at fair value through other comprehensive revenue and expense relate to equity investments that are held by the Council for long-term strategic purposes and therefore are not intended to be sold. Financial assets at fair value through other comprehensive revenue and expense are initially recorded at fair value plus transaction costs. They are subsequently measured at fair value and changes, other than impairment losses, are recognised directly in a reserve within equity. On disposal, the cumulative fair value gain or loss previously recognised directly in other comprehensive revenue and expense is recognised within surplus or deficit.

Impairment losses are recognised based on an “expected loss model” which requires the Council to look at forward-looking, current and historic information when assessing impairment. As there are statutory remedies to recover unpaid rates, rates penalties and water meter charges, no provision has been made for impairment in respect of these receivables.

#### **Financial liabilities**

Financial liabilities comprise payables under exchange transactions, taxes, transfers and borrowings. Financial liabilities with duration of more than 12 months are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised within surplus or deficit. Financial liabilities with duration of less than 12 months are recognised at their nominal value.

On disposal any gains or losses are recognised within surplus or deficit.

#### **Derivatives**

Derivative financial instruments include interest rate swaps used to hedge exposure to interest rate risk on borrowings. Derivatives are initially recognised at fair value, based on quoted market prices, and subsequently remeasured to fair value at the end of each reporting period. Fair value is determined by reference to quoted prices for similar instruments in active markets. Derivatives that do not qualify for hedge accounting are classified as non-hedged and fair value gains or losses are recognised within surplus or deficit.

Recognition of fair value gains or losses on derivatives that qualify for hedge accounting depends on the nature of the item being hedged. Where a derivative is used to hedge variability of cash flows (cash flow hedge), the effective part of any gain or loss is recognised within other comprehensive revenue and expense while the ineffective part is recognised within surplus or deficit. Gains or losses recognised in other comprehensive revenue and expense transfer to surplus or deficit in the same periods as when the hedged item affects the surplus or deficit. Where a derivative is used to hedge variability in the fair value of the Council’s fixed rate borrowings (fair value hedge), the gain or loss is recognised within surplus or deficit.

As per the International Swap Dealers’ Association (ISDA) master agreements, all swap payments or receipts are settled net.

#### **INVESTMENT PROPERTIES**

Investment properties are properties that are held primarily to earn rental revenue or for capital growth or both. These include the Council’s ground leases, and certain land and buildings.

Investment properties exclude those properties held for strategic purposes or to provide a social service. This includes properties that generate cash inflows as the rental revenue is incidental to the purpose for holding the property. Such properties include the Council’s social housing assets, which are held within operational assets in property, plant and equipment. Borrowing costs incurred during the construction of investment property are not capitalised.

Investment properties are measured initially at cost and subsequently measured at fair value, determined annually by an independent registered valuer. Any gain or loss arising is recognised within surplus or deficit. Investment properties are not depreciated.

#### **NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE**

Non-current assets held for sale are separately classified as their carrying amount will be recovered through a sale transaction rather than through continuing use. A non-current asset is classified as held for sale where:

- the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets
- a plan to sell the asset is in place and an active programme to locate a buyer has been initiated
- the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value
- the sale is expected to occur within 1 year or beyond 1 year where a delay has occurred that is caused by events beyond the Council's control and there is sufficient evidence the Council remains committed to sell the asset
- actions required to complete the sale indicate it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

A non-current asset classified as held for sale is recognised at the lower of its carrying amount or fair value less costs to sell. Impairment losses on initial classification are included within surplus or deficit.

#### **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets.

Operational assets include land, the landfill post-closure asset, buildings, the Civic Centre complex, the library collection, and plant and equipment.

Restricted assets include art and cultural assets, restricted buildings, parks and reserves and the Town Belt. These assets provide a benefit or service to the community and in most cases cannot be disposed of because of legal or other restrictions.

Infrastructure assets include the roading network, water, waste and drainage reticulation networks, service concession assets and infrastructure land (including land under roads). Each asset type includes all items that are required for the network to function.

Vested assets are those assets where ownership and control are transferred to the Council from a third party (e.g. infrastructure assets constructed by developers and transferred to the Council on completion of a subdivision). Vested assets are recognised within their respective asset classes as above.

Heritage assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The Council recognises these assets within these prospective financial statements to the extent their value can be reliably measured.

#### **RECOGNITION**

Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits of an existing asset. Costs that do not meet the criteria for capitalisation are expensed.

## MEASUREMENT

Property, plant and equipment is recognised initially at cost, unless acquired for nil or nominal cost (e.g. vested assets), in which case the asset is recognised at fair value at the date of transfer. The initial cost of property, plant and equipment includes the purchase consideration (or the fair value in the case of vested assets), and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

Borrowing costs incurred during the construction of property, plant and equipment are not capitalised.

After initial recognition, certain classes of property, plant and equipment are revalued to fair value. Where there is no active market for an asset, fair value is determined by optimised depreciated replacement cost.

Specific measurement policies for categories of property, plant and equipment are shown below:

### *Operational assets*

Plant and equipment and the Civic Centre complex are measured at historical cost and not revalued.

Library collections are valued at depreciated replacement cost on a 3-year cycle by the

Council's library staff in accordance with guidelines outlined in Valuation Guidance for Cultural and Heritage Assets, published by the Treasury Accounting Team, November 2002.

Land and buildings are valued by independent registered valuers, at fair value, on a 3-year cycle, or whenever the carrying amount differs materially to fair value.

### *Restricted assets*

Art and cultural assets (artworks, sculptures and statues) are valued at historical cost. All other restricted assets (buildings, parks and reserves and the Town Belt) were valued at fair value as at 30 June 2005 by independent registered valuers. The Council has elected to use the fair value of other restricted assets at 30 June 2005 as the deemed cost of the assets. These assets are no longer revalued. Subsequent additions have been recorded at cost.

### *Infrastructure assets*

Infrastructure assets (the roading network, water, waste and drainage reticulation networks including service concession arrangement assets (wastewater treatment plants) are valued at optimised depreciated replacement cost on a regular basis or, whenever the carrying amount differs materially to fair value, by independent registered valuers. Infrastructure valuations are based on current quotes from actual suppliers. As such, they include ancillary costs such as breaking through seal, traffic control and rehabilitation. Between valuations, expenditure on asset improvements is capitalised at cost.

Infrastructure land (excluding land under roads) is valued at fair value on a regular basis or, whenever the carrying amount differs materially to fair value.

Land under roads, which represents the corridor of land directly under and adjacent to the

Council's roading network was valued as at 30 June 2005 at the average value of surrounding adjacent land discounted by 50 percent to reflect its restricted nature. The Council elected to use the fair value of land under roads at 30 June 2005 as the deemed cost of the asset. Land under roads is no longer revalued. Subsequent additions have been recorded at cost.

The service concession arrangement assets consist of the Mōa Point, Western (Karori) and Carey's Gulley wastewater treatment plants, which are owned by the Council but operated by Veolia Water

under agreement. These assets are included within and valued consistently with waste infrastructure network assets.

The carrying values of revalued property, plant and equipment are reviewed at the end of each reporting period to ensure that those values are not materially different to fair value.

### REVALUATIONS

The result of any revaluation of the Council's property, plant and equipment is recognised within other comprehensive revenue and expense and taken to the asset revaluation reserve. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is included in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised within surplus or deficit will be recognised firstly, within surplus or deficit up to the amount previously expensed, with any remaining increase recognised within other comprehensive revenue and expense and in the revaluation reserve for that class of property, plant and equipment.

Accumulated depreciation at the revaluation date is eliminated so that the carrying amount after revaluation equals the revalued amount.

While assumptions are used in all revaluations, the most significant of these are in infrastructure. For example, where stormwater, wastewater and water supply pipes are underground, the physical deterioration and condition of assets are not visible and must therefore be estimated. Any revaluation risk is minimised by performing a combination of physical inspections and condition modelling assessments.

### IMPAIRMENT

The Council's assets are defined as cash generating if the primary purpose of the asset is to provide a commercial return. Non-cash generating assets are assets other than cash generating assets.

The carrying amounts of cash generating property, plant and equipment assets are reviewed at least annually to determine if there is any indication of impairment. Where an assets, or class of assets, recoverable amount is less than it's carrying amount it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported within surplus or deficit unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.

The carrying amounts of non-cash generating property, plant and equipment assets are reviewed at least annually to determine if there is any indication of impairment. Where an assets, or class of assets, recoverable service amount is less than it's carrying amount it will be reported at its recoverable service amount and an impairment loss will be recognised. The recoverable service amount is the higher of an item's fair value less costs to sell and value in use. A non-cash generating asset's value in use is the present value of the asset's remaining service potential. Losses resulting from impairment are reported within surplus or deficit unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease and recorded within other comprehensive revenue and expense.

### DISPOSAL

Gains and losses arising from the disposal of property, plant and equipment are recognised within surplus or deficit in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

**WORK IN PROGRESS**

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

**DEPRECIATION**

Depreciation is provided on all property, plant and equipment, with certain exceptions. The exceptions are land, restricted assets other than buildings, and assets under construction (work in progress). Depreciation is calculated on a straight-line basis, to allocate the cost or value of the asset (less any assessed residual value) over its estimated useful life. The estimated useful life ranges of the major classes of property, plant and equipment are as follows:

**Estimated useful lives of tangible assets**

<b>Asset Category</b>	<b>Useful Life (years)</b>
<b>Operational assets</b>	
Land	unlimited
Buildings:	
Structure	20 - 100
Roof	20 - 90
Interior	5 - 100
Services	5 - 100
Civic Precinct	2 - 67
Plant and equipment	1 - 100
Library collection	4 - 11
<b>Infrastructure assets:</b>	
Land (including land under roads)	unlimited
Roading:	
Road pavement	10 - 40
Retaining / sea walls	50 - 100
Kerb and channel	10 - 60
Structures - other sea defences	100 - 250
Tunnels - structure and services	20 - 175
Bridges	90 - 110
Drainage, waste and water:	
Pipes	60 - 110
Reservoirs	25 - 90
Pump stations	32 - 105
Fittings	25 - 70
<b>Restricted assets (excluding buildings)</b>	unlimited

The large variations in the range of lives for infrastructural assets is due to these assets being managed and depreciated by individual component rather than as a whole asset.

The useful lives are updated after each revaluation cycle and are reflected in the new depreciation rates that will apply.



The landfill post closure asset is depreciated over the life of the landfill based on the capacity of the landfill.

### INTANGIBLE ASSETS

Intangible assets predominantly comprise computer software and carbon credits. They are recorded at cost less any subsequent amortisation and impairment losses.

Computer software has a finite economic life and amortisation is charged to surplus or deficit on a straight-line basis over the estimated useful life of the asset. Typically, the estimated useful life range of these assets are as follows:

#### Estimated useful lives of intangible assets

Asset Category	Useful Life (years)
Computer software	2 - 11

Carbon credits comprise either allocations of emission allowances granted by the Government related to forestry assets or units purchased in the market to cover liabilities associated with landfill operations. Carbon credits are recognised at cost at the date of allocation or purchase.

Gains and losses arising from disposal of intangible assets are recognised within surplus or deficit in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported within surplus or deficit.

### RESEARCH AND DEVELOPMENT

Research costs are expensed as incurred. Development expenditure on individual projects is capitalised and recognised as an asset when it meets the definition and criteria for capitalisation as an asset and it is probable that the Council will receive future economic benefits from the asset. Assets which have finite lives are stated at cost less accumulated amortisation and are amortised on a straight-line basis over their useful lives.

### LEASES

#### OPERATING LEASES AS LESSEE

Leases where the lessor retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under operating leases are recognised within surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised within surplus or deficit over the term of the lease as they form an integral part of the total lease payment.

#### OPERATING LEASES AS LESSOR

The Council leases investment properties and a portion of land and buildings. Rental revenue is recognised on a straight-line basis over the lease term .

#### FINANCE LEASES

Finance leases transfer to the Group (as lessee) substantially all the risks and rewards of ownership of the leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments.

The finance charge is released to surplus or deficit over the lease period and the capitalised values are amortised over the shorter of the lease term and the useful life of the leased item.

#### **EMPLOYEE BENEFIT LIABILITIES**

A provision for employee benefit liabilities (holiday leave, long-service leave and retirement gratuities) is recognised as a liability when benefits are earned but not paid .

#### **HOLIDAY LEAVE**

Holiday leave includes annual leave, long-service leave, statutory time off in lieu and ordinary time off in lieu. Annual leave is calculated on an actual entitlement basis in accordance with section 21(2) of the Holidays Act 2003.

#### **RETIREMENT GRATUITIES**

Retirement gratuities are calculated on an actuarial basis based on the likely future entitlements accruing to employees, after taking into account years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and other contractual entitlements information.

#### **OTHER CONTRACTUAL ENTITLEMENTS**

Other contractual entitlements include termination benefits, which are recognised within surplus or deficit only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

#### **PROVISIONS**

Provisions are recognised for future liabilities of uncertain timing or amount when there is a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are measured at the expenditure expected to be required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

#### **LANDFILL POST-CLOSURE COSTS**

The Council, as operator of the Southern Landfill, has a legal obligation to apply for resource consents when the landfill or landfill stages reach the end of their operating life and are to be closed. These resource consents will set out the closure requirements and the requirements for ongoing maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises, which is when each stage of the landfill is commissioned and refuse begins to accumulate.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including known changes to legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure including final cover application and vegetation; incremental drainage control features; completing facilities for leachate collection and monitoring; completing facilities for water quality monitoring; completing facilities for monitoring and recovery of gas.

Amounts provided for landfill post-closure are capitalised to the landfill asset. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

### **NET ASSETS/EQUITY**

Net assets or equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Net assets or equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within the Council.

The components of net assets or equity are accumulated funds and retained earnings, revaluation reserves, a hedging reserve, a fair value through other comprehensive revenue and expense reserve and restricted funds (special funds, reserve funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use, whether under statute or accepted as binding by the Council, and that may not be revised without reference to the Courts or third parties. Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

### **PROSPECTIVE STATEMENT OF CASH FLOWS**

Cash and cash equivalents for the purposes of the cash flow statement comprise bank balances, cash on hand and short-term deposits with a maturity of 3 months or less. The prospective statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all non-financial revenue sources of the Council and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets and investment revenue. Financing activities relate to activities that change the equity and debt capital structure of the Council and financing costs.

### **RELATED PARTIES**

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include members of the Group and key management personnel. Key management personnel include the Mayor and Councillors as Directors, the Chief Executive and all members of the Executive Leadership Team being key advisors to the Directors and Chief Executive.

The Mayor and Councillors are considered Directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration comprises any money, consideration or benefit received or receivable or otherwise made available, directly or indirectly, to a Director during the reporting period. Directors' remuneration does not include reimbursement of authorised work expenses or the provision of work-related equipment such as mobile phones and laptops.

### **COST ALLOCATION**

The Council has derived the cost of service for each significant activity (as reported within the Statements of Service Performance). Direct costs are expensed directly to the activity. Indirect costs relate to the overall costs of running the organisation and include staff time, office space and information technology costs. These indirect costs are allocated as overheads across all activities.

### **COMPARATIVES**

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed between periods

- where the Council has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required
- where there has been a change of accounting policy.

#### **Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS 42)**

The Council has complied with PBE FRS 42 in the preparation of these prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

##### *(i) Description of the nature of the entity's current operation and its principal activities*

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this annual plan.

##### *(ii) Purpose for which the prospective financial statements are prepared*

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 1 year and include them within the Long-term Plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council. Prospective financial statements are revised annually to reflect updated assumptions and costs.

##### *(iii) Bases for assumptions, risks and uncertainties*

The financial information has been prepared on the basis of best estimate assumptions as the future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within this Long-term Plan.

##### *(iv) Cautionary note*

The financial information is a forecast. Actual results are likely to vary from the information presented, and the variations may be material.

##### *(iv) Other disclosures*

These prospective financial statements were adopted as part of the assumptions that form the LTP amendment 2022-31 for issue on 30 June 2022 by Wellington City Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. The LTP amendment is a forecast and as such contains no actual operating results.

## Operating Expenditure by Activity

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
Governance	1.1	1000	Annual Planning	Operating Costs	1,762
<b>Total - 1000 Annual Planning</b>					<b>1,762</b>
Governance	1.1	1001	Policy	Operating Costs	1,807
<b>Total - 1001 Policy</b>					<b>1,807</b>
Governance	1.1	1002	Committee & Council Process	Income Operating Costs	(203) 9,045
<b>Total - 1002 Committee &amp; Council Process</b>					<b>8,842</b>
Governance	1.1	1003	Strategic Planning	Operating Costs	524
<b>Total - 1003 Strategic Planning</b>					<b>524</b>
Governance	1.1	1004	Tawa Community Board - Discretionary	Operating Costs	18
<b>Total - 1004 Tawa Community Board - Discretionary</b>					<b>18</b>
Governance	1.1	1005	Smart Capital - Marketing	Operating Costs	3
<b>Total - 1005 Smart Capital - Marketing</b>					<b>3</b>
Governance	1.1	1007	WCC City Service Centre	Income Operating Costs	(105) 5,568
<b>Total - 1007 WCC City Service Centre</b>					<b>5,463</b>
Governance	1.1	1009	Rating Property Valuations	Income Operating Costs	(232) 818
<b>Total - 1009 Rating Property Valuations</b>					<b>586</b>
Governance	1.1	1010	Rateable property data & valuation management	Operating Costs	1,184

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1010 Rateable property data &amp; valuation management</b>					<b>1,184</b>
Governance	1.1	1011	Archives	Income Operating Costs	(215) 2,015
<b>Total - 1011 Archives</b>					<b>1,800</b>
Governance	1.1	1216	CCO Covid Response Support	Operating Costs	0
<b>Total - 1216 CCO Covid Response Support</b>					<b>0</b>
Governance	1.1	1220	Climate change response	Operating Costs	2,848
<b>Total - 1220 Climate change response</b>					<b>2,848</b>
Governance	1.1	1221	Business Climate Action Support	Operating Costs	520
<b>Total - 1221 Business Climate Action Support</b>					<b>520</b>
Governance	1.1	1222	Workplace Travel Planning	Operating Costs	256
<b>Total - 1222 Workplace Travel Planning</b>					<b>256</b>
Governance	1.1	1223	Home Energy Audits	Operating Costs	327
<b>Total - 1223 Home Energy Audits</b>					<b>327</b>
Governance	1.1	1224	Future Living Skills	Operating Costs	69
<b>Total - 1224 Future Living Skills</b>					<b>69</b>
Governance	1.1	1225	Climate and Sustainability Fund	Operating Costs	291
<b>Total - 1225 Climate and Sustainability Fund</b>					<b>291</b>
<b>Total - 1.1 Governance information and engagement</b>					<b>26,300</b>
Governance	1.2	1012	Māori Partnerships	Operating Costs	1,597
<b>Total - 1012 Māori Partnerships</b>					<b>1,597</b>
Governance	1.2	1013	Māori Strategic Advice	Operating Costs	1,796

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1013 Māori Strategic Advice</b>					<b>1,796</b>
Governance	1.2	1218	Māori Capability and Success	Operating Costs	1,275
<b>Total - 1218 Māori Capability and Success</b>					<b>1,275</b>
<b>Total - 1.2 Māori and mana whenua partnerships</b>					<b>4,669</b>
<b>Total - 1 Governance</b>					<b>30,969</b>
Environment	2.1	1014	Parks and Reserves Planning	Operating Costs	1,260
<b>Total - 1014 Parks and Reserves Planning</b>					<b>1,260</b>
Environment	2.1	1015	Reserves Unplanned Maintenance	Operating Costs	246
<b>Total - 1015 Reserves Unplanned Maintenance</b>					<b>246</b>
Environment	2.1	1016	Parks Mowing- Open Space & Reserve Land	Income Operating Costs	(46) 1,587
<b>Total - 1016 Parks Mowing- Open Space &amp; Reserve Land</b>					<b>1,541</b>
Environment	2.1	1017	Park Furniture and Infrastructure Maintenance	Income Operating Costs	(37) 2,013
<b>Total - 1017 Park Furniture and Infrastructure Maintenance</b>					<b>1,976</b>
Environment	2.1	1018	Parks and Buildings Maintenance	Income Operating Costs	(320) 1,694
<b>Total - 1018 Parks and Buildings Maintenance</b>					<b>1,375</b>
Environment	2.1	1019	CBD and Suburban Gardens	Income Operating Costs	(35) 2,528
<b>Total - 1019 CBD and Suburban Gardens</b>					<b>2,493</b>
Environment	2.1	1020	Arboricultural Operations	Income Operating Costs	(156) 2,057
<b>Total - 1020 Arboricultural Operations</b>					<b>1,901</b>

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
Environment	2.1	1021	Wellington Gardens (Botanic, Otari etc)	Income Operating Costs	(520) 6,426
<b>Total - 1021 Wellington Gardens (Botanic, Otari etc)</b>					<b>5,905</b>
Environment	2.1	1022	Coastal Operations	Income Operating Costs	(49) 1,479
<b>Total - 1022 Coastal Operations</b>					<b>1,430</b>
Environment	2.1	1024	Road Corridor Growth Control	Income Operating Costs	(826) 2,807
<b>Total - 1024 Road Corridor Growth Control</b>					<b>1,981</b>
Environment	2.1	1025	Street Cleaning	Income Operating Costs	(415) 8,541
<b>Total - 1025 Street Cleaning</b>					<b>8,126</b>
Environment	2.1	1026	Hazardous Trees Removal	Income Operating Costs	(6) 416
<b>Total - 1026 Hazardous Trees Removal</b>					<b>410</b>
Environment	2.1	1027	Town Belts Planting	Operating Costs	1,043
<b>Total - 1027 Town Belts Planting</b>					<b>1,043</b>
Environment	2.1	1028	Townbelt-Reserves Management	Income Operating Costs	(296) 6,694
<b>Total - 1028 Townbelt-Reserves Management</b>					<b>6,398</b>
Environment	2.1	1030	Community greening initiatives	Operating Costs	751
<b>Total - 1030 Community greening initiatives</b>					<b>751</b>
Environment	2.1	1031	Environmental Grants Pool	Operating Costs	105
<b>Total - 1031 Environmental Grants Pool</b>					<b>105</b>



Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
Environment	2.1	1032	Walkway Maintenance	Operating Costs	1,277
<b>Total - 1032 Walkway Maintenance</b>					<b>1,277</b>
Environment	2.1	1033	Weeds & Hazardous Trees Monitoring	Operating Costs	1,461
<b>Total - 1033 Weeds &amp; Hazardous Trees Monitoring</b>					<b>1,461</b>
Environment	2.1	1034	Animal Pest Management	Operating Costs	2,178
<b>Total - 1034 Animal Pest Management</b>					<b>2,178</b>
Environment	2.1	1035	Waterfront Public Space Management	Income Operating Costs	(455) 8,771
<b>Total - 1035 Waterfront Public Space Management</b>					<b>8,317</b>
Environment	2.1	1217	PSR Nursery Operations	Income Operating Costs	(45) 460
<b>Total - 1217 PSR Nursery Operations</b>					<b>415</b>
<b>Total - 2.1 Gardens, beaches and green open spaces</b>					<b>50,589</b>
Environment	2.2	1036	Landfill Operations & Maintenance	Income Operating Costs	(15,920) 12,267
<b>Total - 1036 Landfill Operations &amp; Maintenance</b>					<b>(3,652)</b>
Environment	2.2	1037	Suburban Refuse Collection	Income Operating Costs	(5,098) 4,662
<b>Total - 1037 Suburban Refuse Collection</b>					<b>(436)</b>
Environment	2.2	1038	Domestic Recycling	Income Operating Costs	(4,886) 7,502
<b>Total - 1038 Domestic Recycling</b>					<b>2,616</b>
Environment	2.2	1039	Waste Minimisation	Income Operating Costs	(1,656) 3,396

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1039 Waste Minimisation</b>					<b>1,739</b>
Environment	2.2	1040	Litter Enforcement	Operating Costs	99
<b>Total - 1040 Litter Enforcement</b>					<b>99</b>
Environment	2.2	1041	Closed Landfill Gas Migration Monitoring	Operating Costs	718
<b>Total - 1041 Closed Landfill Gas Migration Monitoring</b>					<b>718</b>
Environment	2.2	1042	EV Charging & Home Energy Audits	Income Operating Costs	0 60
<b>Total - 1042 EV Charging &amp; Home Energy Audits</b>					<b>60</b>
<b>Total - 2.2 Waste reduction and energy conservation</b>					<b>1,144</b>
Environment	2.3	1044	Water - Network Maintenance	Operating Costs	10,616
<b>Total - 1044 Water - Network Maintenance</b>					<b>10,616</b>
Environment	2.3	1045	Water - Water Connections	Income Operating Costs	(47) 0
<b>Total - 1045 Water - Water Connections</b>					<b>(47)</b>
Environment	2.3	1046	Water - Pump Stations Maintenance-Operations	Operating Costs	730
<b>Total - 1046 Water - Pump Stations Maintenance-Operations</b>					<b>730</b>
Environment	2.3	1047	Water - Asset Stewardship	Operating Costs	41,032
<b>Total - 1047 Water - Asset Stewardship</b>					<b>41,032</b>
Environment	2.3	1049	Water - Monitoring & Investigation	Operating Costs	858
<b>Total - 1049 Water - Monitoring &amp; Investigation</b>					<b>858</b>
Environment	2.3	1051	Water - Bulk Water Purchase	Operating Costs	21,519
<b>Total - 1051 Water - Bulk Water Purchase</b>					<b>21,519</b>

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 2.3 Water</b>					<b>74,708</b>
Environment	2.4	1052	Wastewater - Asset Stewardship	Income Operating Costs	(863) 35,208
<b>Total - 1052 Wastewater - Asset Stewardship</b>					<b>34,345</b>
Environment	2.4	1055	Wastewater - Network Maintenance	Operating Costs	8,729
<b>Total - 1055 Wastewater - Network Maintenance</b>					<b>8,729</b>
Environment	2.4	1058	Wastewater - Monitoring & Investigation	Operating Costs	920
<b>Total - 1058 Wastewater - Monitoring &amp; Investigation</b>					<b>920</b>
Environment	2.4	1059	Wastewater - Pump Station Maintenance-Ops	Operating Costs	1,228
<b>Total - 1059 Wastewater - Pump Station Maintenance-Ops</b>					<b>1,228</b>
Environment	2.4	1060	Wastewater - Treatment Plants	Operating Costs	29,411
<b>Total - 1060 Wastewater - Treatment Plants</b>					<b>29,411</b>
Environment	2.4	1219	Sludge Minimisation	Operating Costs	108
<b>Total - 1219 Sludge Minimisation</b>					<b>108</b>
<b>Total - 2.4 Wastewater</b>					<b>74,742</b>
Environment	2.5	1063	Stormwater - Asset Stewardship	Operating Costs	28,798
<b>Total - 1063 Stormwater - Asset Stewardship</b>					<b>28,798</b>
Environment	2.5	1064	Stormwater - Network Maintenance	Operating Costs	4,517
<b>Total - 1064 Stormwater - Network Maintenance</b>					<b>4,517</b>
Environment	2.5	1065	Stormwater - Monitoring & Investigation	Operating Costs	355
<b>Total - 1065 Stormwater - Monitoring &amp; Investigation</b>					<b>355</b>
Environment	2.5	1067	Drainage Maintenance	Income Operating Costs	(196) 1,455

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1067 Drainage Maintenance</b>					<b>1,259</b>
Environment	2.5	1068	Stormwater - Pump Station Maintenance-Ops	Operating Costs	133
<b>Total - 1068 Stormwater - Pump Station Maintenance-Ops</b>					<b>133</b>
<b>Total - 2.5 Stormwater</b>					<b>35,062</b>
Environment	2.6	1069	Zealandia	Operating Costs	1,572
<b>Total - 1069 Zealandia</b>					<b>1,572</b>
Environment	2.6	1070	Wellington Zoo Trust	Operating Costs	6,183
<b>Total - 1070 Wellington Zoo Trust</b>					<b>6,183</b>
<b>Total - 2.6 Conservation attractions</b>					<b>7,756</b>
<b>Total - 2 Environment</b>					<b>244,001</b>
Economic Development	3.1	1073	WellingtonNZ Tourism	Operating Costs	6,210
<b>Total - 1073 WellingtonNZ Tourism</b>					<b>6,210</b>
Economic Development	3.1	1074	Events Fund	Operating Costs	5,265
<b>Total - 1074 Events Fund</b>					<b>5,265</b>
Economic Development	3.1	1075	Wellington Venues	Income Operating Costs	(10,661) 14,889
<b>Total - 1075 Wellington Venues</b>					<b>4,228</b>
Economic Development	3.1	1076	Destination Wellington	Operating Costs	1,958
<b>Total - 1076 Destination Wellington</b>					<b>1,958</b>
Economic Development	3.1	1077	CBD Free Wifi	Operating Costs	30
<b>Total - 1077 CBD Free Wifi</b>					<b>30</b>
Economic Development	3.1	1078	Wellington Convention & Exhibition Centre (WCEC)	Income Operating Costs	0 5,638

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1078 Wellington Convention &amp; Exhibition Centre (WCEC)</b>					<b>5,638</b>
Economic Development	3.1	1081	Economic Growth Strategy	Operating Costs	390
<b>Total - 1081 Economic Growth Strategy</b>					<b>390</b>
Economic Development	3.1	1082	City Growth Fund	Operating Costs	2,092
<b>Total - 1082 City Growth Fund</b>					<b>2,092</b>
Economic Development	3.1	1086	Sky Stadium	Operating Costs	0
<b>Total - 1086 Sky Stadium</b>					<b>0</b>
Economic Development	3.1	1087	International Relations	Operating Costs	808
<b>Total - 1087 International Relations</b>					<b>808</b>
Economic Development	3.1	1089	Business Improvement Districts	Operating Costs	422
<b>Total - 1089 Business Improvement Districts</b>					<b>422</b>
<b>Total - 3.1 City promotions and business support</b>					<b>27,038</b>
<b>Total - 3 Economic Development</b>					<b>27,038</b>
Cultural Wellbeing	4.1	1090	Wellington Museums Trust	Operating Costs	10,098
<b>Total - 1090 Wellington Museums Trust</b>					<b>10,098</b>
Cultural Wellbeing	4.1	1092	Te Papa Funding	Operating Costs	2,250
<b>Total - 1092 Te Papa Funding</b>					<b>2,250</b>
Cultural Wellbeing	4.1	1093	Carter Observatory	Operating Costs	829
<b>Total - 1093 Carter Observatory</b>					<b>829</b>
Cultural Wellbeing	4.1	1095	City Events Programme	Income Operating Costs	(324) 3,575
<b>Total - 1095 City Events Programme</b>					<b>3,251</b>

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
Cultural Wellbeing	4.1	1097	Citizen's Day - Mayoral Day	Operating Costs	24
<b>Total - 1097 Citizen's Day - Mayoral Day</b>					<b>24</b>
Cultural Wellbeing	4.1	1098	Cultural Grants Pool	Operating Costs	1,288
<b>Total - 1098 Cultural Grants Pool</b>					<b>1,288</b>
Cultural Wellbeing	4.1	1099	Subsidised Venue Hire for Community Groups	Operating Costs	745
<b>Total - 1099 Subsidised Venue Hire for Community Groups</b>					<b>745</b>
Cultural Wellbeing	4.1	1100	City Arts Programme	Income Operating Costs	(76) 1,295
<b>Total - 1100 City Arts Programme</b>					<b>1,218</b>
Cultural Wellbeing	4.1	1101	NZSO Subsidy	Operating Costs	216
<b>Total - 1101 NZSO Subsidy</b>					<b>216</b>
Cultural Wellbeing	4.1	1102	Toi Poneke Arts Centre	Income Operating Costs	(581) 2,044
<b>Total - 1102 Toi Poneke Arts Centre</b>					<b>1,463</b>
Cultural Wellbeing	4.1	1103	Public Art Fund	Operating Costs	547
<b>Total - 1103 Public Art Fund</b>					<b>547</b>
Cultural Wellbeing	4.1	1104	New Zealand Ballet	Operating Costs	164
<b>Total - 1104 New Zealand Ballet</b>					<b>164</b>
Cultural Wellbeing	4.1	1105	Orchestra Wellington	Operating Costs	304
<b>Total - 1105 Orchestra Wellington</b>					<b>304</b>
Cultural Wellbeing	4.1	1106	Regional Amenities Fund	Operating Costs	609
<b>Total - 1106 Regional Amenities Fund</b>					<b>609</b>
Cultural Wellbeing	4.1	1207	Capital of Culture	Operating Costs	1,115

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1207 Capital of Culture</b>					<b>1,115</b>
<b>Total - 4.1 Arts and cultural activities</b>					<b>24,121</b>
<b>Total - 4 Cultural Wellbeing</b>					<b>24,121</b>
Social and Recreation	5.1	1107	Swimming Pools Operations	Income Operating Costs	(7,597) 28,155
<b>Total - 1107 Swimming Pools Operations</b>					<b>20,558</b>
Social and Recreation	5.1	1108	Natural Turf Sport Operations	Income Operating Costs	(354) 4,015
<b>Total - 1108 Natural Turf Sport Operations</b>					<b>3,660</b>
Social and Recreation	5.1	1109	Synthetic Turf Sport Operations	Income Operating Costs	(652) 1,671
<b>Total - 1109 Synthetic Turf Sport Operations</b>					<b>1,019</b>
Social and Recreation	5.1	1110	Recreation Centres	Income Operating Costs	(950) 4,107
<b>Total - 1110 Recreation Centres</b>					<b>3,157</b>
Social and Recreation	5.1	1111	ASB Sports Centre	Income Operating Costs	(1,759) 7,181
<b>Total - 1111 ASB Sports Centre</b>					<b>5,422</b>
Social and Recreation	5.1	1112	Basin Reserve Trust	Operating Costs	1,908
<b>Total - 1112 Basin Reserve Trust</b>					<b>1,908</b>
Social and Recreation	5.1	1113	Recreational NZ Academy Sport	Operating Costs	47
<b>Total - 1113 Recreational NZ Academy Sport</b>					<b>47</b>
Social and Recreation	5.1	1114	Playground and Skate Facility Maintenance	Operating Costs	1,298

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1114 Playground and Skate Facility Maintenance</b>					<b>1,298</b>
Social and Recreation	5.1	1115	Marina Operations	Income	(724)
				Operating Costs	812
<b>Total - 1115 Marina Operations</b>					<b>88</b>
Social and Recreation	5.1	1116	Municipal Golf Course	Income	(75)
				Operating Costs	263
<b>Total - 1116 Municipal Golf Course</b>					<b>187</b>
Social and Recreation	5.1	1117	Recreation Programmes	Income	(77)
				Operating Costs	554
<b>Total - 1117 Recreation Programmes</b>					<b>477</b>
<b>Total - 5.1 Recreation promotion and support</b>					<b>37,822</b>
Social and Recreation	5.2	1118	Library Network - Wide Operation	Income	(101)
				Operating Costs	14,137
<b>Total - 1118 Library Network - Wide Operation</b>					<b>14,036</b>
Social and Recreation	5.2	1119	Branch Libraries	Income	(312)
				Operating Costs	10,004
<b>Total - 1119 Branch Libraries</b>					<b>9,692</b>
Social and Recreation	5.2	1120	Passport to Leisure Programme	Operating Costs	138
<b>Total - 1120 Passport to Leisure Programme</b>					<b>138</b>
Social and Recreation	5.2	1121	Community Advice & Information	Operating Costs	1,961
<b>Total - 1121 Community Advice &amp; Information</b>					<b>1,961</b>
Social and Recreation	5.2	1122	Community Group Relationship Management	Operating Costs	182
<b>Total - 1122 Community Group Relationship Management</b>					<b>182</b>
Social and Recreation	5.2	1123	Support for Wellington Homeless	Operating Costs	224



Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1123 Support for Wellington Homeless</b>					<b>224</b>
Social and Recreation	5.2	1124	Social & Recreational Grant Pool	Operating Costs	4,188
<b>Total - 1124 Social &amp; Recreational Grant Pool</b>					<b>4,188</b>
Social and Recreation	5.2	1125	Housing Operations and Maintenance	Income Operating Costs	(27,559) 40,462
<b>Total - 1125 Housing Operations and Maintenance</b>					<b>12,904</b>
Social and Recreation	5.2	1126	Housing Upgrade Project	Operating Costs	1
<b>Total - 1126 Housing Upgrade Project</b>					<b>1</b>
Social and Recreation	5.2	1127	Community Property Programmed Maintenance	Income Operating Costs	(4) 640
<b>Total - 1127 Community Property Programmed Maintenance</b>					<b>636</b>
Social and Recreation	5.2	1128	Community Halls Operations and Maintenance	Income Operating Costs	(46) 889
<b>Total - 1128 Community Halls Operations and Maintenance</b>					<b>843</b>
Social and Recreation	5.2	1129	Community Prop & Facility Ops	Income Operating Costs	(304) 3,571
<b>Total - 1129 Community Prop &amp; Facility Ops</b>					<b>3,267</b>
Social and Recreation	5.2	1130	Rent Grants For Community Welfare Groups	Operating Costs	232
<b>Total - 1130 Rent Grants for Community Welfare Groups</b>					<b>232</b>
Social and Recreation	5.2	1208	CBD Library Services Network	Income Operating Costs	(47) 6,811
<b>Total - 1208 CBD Library Services Network</b>					<b>6,764</b>
<b>Total - 5.2 Community participation and support</b>					<b>55,068</b>

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
Social and Recreation	5.3	1131	Burial & Cremation Operations	Income Operating Costs	(1,069) 2,251
<b>Total - 1131 Burial &amp; Cremation Operations</b>					<b>1,182</b>
Social and Recreation	5.3	1132	Public Toilet Cleaning and Maintenance	Operating Costs	3,989
<b>Total - 1132 Public Toilet Cleaning and Maintenance</b>					<b>3,989</b>
Social and Recreation	5.3	1133	Public Health (Food & Alcohol Premises, Dog Registrations)	Income Operating Costs	(2,943) 5,873
<b>Total - 1133 Public Health (Food &amp; Alcohol Premises, Dog Registrations)</b>					<b>2,930</b>
Social and Recreation	5.3	1134	Noise Monitoring	Income Operating Costs	(2) 834
<b>Total - 1134 Noise Monitoring</b>					<b>831</b>
Social and Recreation	5.3	1135	Anti-Graffiti Flying Squad	Operating Costs	1,402
<b>Total - 1135 Anti-Graffiti Flying Squad</b>					<b>1,402</b>
Social and Recreation	5.3	1136	Safe City Project Operations	Operating Costs	2,137
<b>Total - 1136 Safe City Project Operations</b>					<b>2,137</b>
Social and Recreation	5.3	1137	Civil Defence	Income Operating Costs	(14) 2,588
<b>Total - 1137 Civil Defence</b>					<b>2,574</b>
Social and Recreation	5.3	1138	Rural Fire	Operating Costs	41
<b>Total - 1138 Rural Fire</b>					<b>41</b>
<b>Total - 5.3 Public health and safety</b>					<b>15,086</b>
<b>Total - 5 Social and Recreation</b>					<b>107,976</b>
Urban Development	6.1	1139	District Plan	Income Operating Costs	0 7,458

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1139 District Plan</b>					<b>7,458</b>
Urban Development	6.1	1141	Build Wellington Developments	Operating Costs	2,310
<b>Total - 1141 Build Wellington Developments</b>					<b>2,310</b>
Urban Development	6.1	1142	Public Art and Sculpture Maintenance	Operating Costs	434
<b>Total - 1142 Public Art and Sculpture Maintenance</b>					<b>434</b>
Urban Development	6.1	1143	Public Space-Centre Development Plan	Operating Costs	3,553
<b>Total - 1143 Public Space-Centre Development Plan</b>					<b>3,553</b>
Urban Development	6.1	1145	City Heritage Development	Operating Costs	1,324
<b>Total - 1145 City Heritage Development</b>					<b>1,324</b>
Urban Development	6.1	1206	Housing Investment Programme	Income Operating Costs	(5,643) 7,228
<b>Total - 1206 Housing Investment Programme</b>					<b>1,585</b>
Urban Development	6.1	1215	Te Ngakau Programme	Operating Costs	2,318
<b>Total - 1215 Te Ngakau Programme</b>					<b>2,318</b>
<b>Total - 6.1 Urban development, heritage and public spaces development</b>					<b>18,984</b>
Urban Development	6.2	1146	Building Control and Facilitation	Income Operating Costs	(13,813) 19,640
<b>Total - 1146 Building Control and Facilitation</b>					<b>5,827</b>
Urban Development	6.2	1148	Development Control and Facilitation	Income Operating Costs	(4,519) 9,188
<b>Total - 1148 Development Control and Facilitation</b>					<b>4,670</b>
Urban Development	6.2	1149	Earthquake Assessment Study	Operating Costs	250

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1149 Earthquake Assessment Study</b>					<b>250</b>
Urban Development	6.2	1151	Earthquake Risk Building Project	Income Operating Costs	(3) 4,736
<b>Total - 1151 Earthquake Risk Building Project</b>					<b>4,733</b>
<b>Total - 6.2 Building and development control</b>					<b>15,479</b>
<b>Total - 6 Urban Development</b>					<b>34,463</b>
Transport	7.1	1152	Ngauranga to Airport Corridor	Operating Costs	662
<b>Total - 1152 Ngauranga to Airport Corridor</b>					<b>662</b>
Transport	7.1	1153	Transport Planning and Policy	Income Operating Costs	(313) 356
<b>Total - 1153 Transport Planning and Policy</b>					<b>43</b>
Transport	7.1	1154	Road Maintenance	Income Operating Costs	(1,196) 2,763
<b>Total - 1154 Road Maintenance</b>					<b>1,568</b>
Transport	7.1	1155	Tawa Shared Driveways Maintenance	Operating Costs	26
<b>Total - 1155 Tawa Shared Driveways Maintenance</b>					<b>26</b>
Transport	7.1	1156	Wall, Bridge & Tunnel Maintenance	Income Operating Costs	(113) 379
<b>Total - 1156 Wall, Bridge &amp; Tunnel Maintenance</b>					<b>266</b>
Transport	7.1	1157	Drains & Walls Asset Management	Income Operating Costs	(185) 9,290
<b>Total - 1157 Drains &amp; Walls Asset Management</b>					<b>9,106</b>
Transport	7.1	1158	Kerb & Channel Maintenance	Income Operating Costs	(425) 921

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1158 Kerb &amp; Channel Maintenance</b>					<b>496</b>
Transport	7.1	1159	Vehicle Network Asset Management	Income Operating Costs	(356) 30,787
<b>Total - 1159 Vehicle Network Asset Management</b>					<b>30,431</b>
Transport	7.1	1160	Port and Ferry Access Planning	Operating Costs	76
<b>Total - 1160 Port and Ferry Access Planning</b>					<b>76</b>
Transport	7.1	1161	Cycleways Maintenance	Income Operating Costs	(87) 183
<b>Total - 1161 Cycleways Maintenance</b>					<b>97</b>
Transport	7.1	1162	Cycleway Asset Management	Income Operating Costs	(7) 1,288
<b>Total - 1162 Cycleway Asset Management</b>					<b>1,280</b>
Transport	7.1	1163	Cycleways Planning	Income Operating Costs	(204) 712
<b>Total - 1163 Cycleways Planning</b>					<b>508</b>
Transport	7.1	1164	Lambton Quay Interchange Maintenance	Income Operating Costs	(447) 865
<b>Total - 1164 Lambton Quay Interchange Maintenance</b>					<b>418</b>
Transport	7.1	1165	Street Furniture Advertising	Income Operating Costs	(1,309) 3
<b>Total - 1165 Street Furniture Advertising</b>					<b>(1,306)</b>
Transport	7.1	1166	Passenger Transport Asset Management	Income Operating Costs	(3) 975
<b>Total - 1166 Passenger Transport Asset Management</b>					<b>972</b>
Transport	7.1	1167	Bus Priority Plan	Operating Costs	199

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1167 Bus Priority Plan</b>					<b>199</b>
Transport	7.1	1168	Cable Car	Income	0
				Operating Costs	1,654
<b>Total - 1168 Cable Car</b>					<b>1,654</b>
Transport	7.1	1170	Street Furniture Maintenance	Income	(24)
				Operating Costs	331
<b>Total - 1170 Street Furniture Maintenance</b>					<b>307</b>
Transport	7.1	1171	Footpaths Asset Management	Income	(94)
				Operating Costs	6,593
<b>Total - 1171 Footpaths Asset Management</b>					<b>6,499</b>
Transport	7.1	1172	Footpaths & Accessway Maintenance	Income	(462)
				Operating Costs	1,031
<b>Total - 1172 Footpaths &amp; Accessway Maintenance</b>					<b>569</b>
Transport	7.1	1173	Footpaths Structures Maintenance	Income	(102)
				Operating Costs	211
<b>Total - 1173 Footpaths Structures Maintenance</b>					<b>109</b>
Transport	7.1	1174	Traffic Signals Maintenance	Income	(694)
				Operating Costs	1,559
<b>Total - 1174 Traffic Signals Maintenance</b>					<b>866</b>
Transport	7.1	1175	Traffic Control Asset Management	Income	(226)
				Operating Costs	3,097
<b>Total - 1175 Traffic Control Asset Management</b>					<b>2,871</b>
Transport	7.1	1176	Road Marking Maintenance	Income	(864)
				Operating Costs	1,878

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1176 Road Marking Maintenance</b>					<b>1,014</b>
Transport	7.1	1177	Traffic & Street Sign Maintenance	Income	(185)
				Operating Costs	418
<b>Total - 1177 Traffic &amp; Street Sign Maintenance</b>					<b>233</b>
Transport	7.1	1178	Network Planning & Coordination	Income	(1,347)
				Operating Costs	3,215
<b>Total - 1178 Network Planning &amp; Coordination</b>					<b>1,868</b>
Transport	7.1	1179	Street Lighting Maintenance	Income	(1,900)
				Operating Costs	2,778
<b>Total - 1179 Street Lighting Maintenance</b>					<b>878</b>
Transport	7.1	1180	Transport Education & Promotion	Income	(248)
				Operating Costs	873
<b>Total - 1180 Transport Education &amp; Promotion</b>					<b>625</b>
Transport	7.1	1181	Fences & Guardrails Maintenance	Income	(209)
				Operating Costs	451
<b>Total - 1181 Fences &amp; Guardrails Maintenance</b>					<b>242</b>
Transport	7.1	1182	Safety Asset Management	Income	(183)
				Operating Costs	3,491
<b>Total - 1182 Safety Asset Management</b>					<b>3,308</b>
Transport	7.1	1209	LGWM - Mass Rapid Transit	Operating Costs	9,897
<b>Total - 1209 LGWM - Mass Rapid Transit</b>					<b>9,897</b>
Transport	7.1	1210	LGWM - State Highway Improvements	Operating Costs	3,934
<b>Total - 1210 LGWM - State Highway Improvements</b>					<b>3,934</b>
Transport	7.1	1211	LGWM - Travel Demand Management	Operating Costs	337

Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1211 LGWM - Travel Demand Management</b>					<b>337</b>
Transport	7.1	1212	LGWM - City Streets	Operating Costs	3,014
<b>Total - 1212 LGWM - City Streets</b>					<b>3,014</b>
Transport	7.1	1213	LGWM - Early Delivery	Operating Costs	0
<b>Total - 1213 LGWM - Early Delivery</b>					<b>0</b>
<b>Total - 7.1 Transport</b>					<b>83,068</b>
Transport	7.2	1184	Parking Services & Enforcement	Income Operating Costs	(39,469) 17,745
<b>Total - 1184 Parking Services &amp; Enforcement</b>					<b>(21,724)</b>
Transport	7.2	1185	Waterfront Parking Services	Income Operating Costs	(484) 172
<b>Total - 1185 Waterfront Parking Services</b>					<b>(312)</b>
<b>Total - 7.2 Parking</b>					<b>(22,036)</b>
<b>Total - 7 Transport</b>					<b>61,033</b>
Council	10.1	1186	Waterfront Commercial Property Services	Income Operating Costs	(2,357) 4,936
<b>Total - 1186 Waterfront Commercial Property Services</b>					<b>2,579</b>
Council	10.1	1187	Commercial Property Management & Services	Income Operating Costs	(3,117) 6,593
<b>Total - 1187 Commercial Property Management &amp; Services</b>					<b>3,476</b>
Council	10.1	1190	Information Services SLA	Income Operating Costs	(108) 108
<b>Total - 1190 Information Services SLA</b>					<b>(0)</b>
Council	10.1	1191	NZTA Income on Capex Work	Income Operating Costs	(28,514) 0



Strategy	Activity Group	Activity	Activity Description		2022/23 budget \$000
<b>Total - 1191 NZTA Income on Capex Work</b>					<b>(28,514)</b>
Council	10.1	1193	Self Insurance Reserve	Operating Costs	1,608
<b>Total - 1193 Self Insurance Reserve</b>					<b>1,608</b>
Council	10.1	1196	External Capital Funding	Income	(2,290)
				Operating Costs	0
<b>Total - 1196 External Capital Funding</b>					<b>(2,290)</b>
Council	10.1	1197	Plimmer Bequest Project Expenditure	Income	0
				Operating Costs	0
<b>Total - 1197 Plimmer Bequest Project Expenditure</b>					<b>0</b>
Council	10.1	1198	Waterfront Utilities Management	Income	(254)
				Operating Costs	633
<b>Total - 1198 Waterfront Utilities Management</b>					<b>379</b>
Council	10.1	1200	Organisation	Income	(450,486)
				Operating Costs	18,647
<b>Total - 1200 Organisation</b>					<b>(431,840)</b>
Council	10.1	1204	Sustainable Parking Infrastructure	Income	171
				Operating Costs	0
<b>Total - 1204 Sustainable Parking Infrastructure</b>					<b>171</b>
<b>Total - 10.1 Organisational Projects</b>					<b>(454,431)</b>
<b>Total - 10 Council</b>					<b>(454,431)</b>
<b>Grand total</b>					<b>75,169</b>

We note that the deficit amount of \$75.2m does not match to the deficit in that statement of comprehensive income on page x. This is due to the inclusion of revenue relating to Fair value movement on investment property revaluation being included in the financial statements.



## Capital Expenditure by Activity

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
Governance	1.1	2000	Committee & Council Processes	2000002000	Democratic Services - Mayoral Vehicle / Committee Room Renew	134
<b>Total - 2000 Committee &amp; Council Processes</b>						<b>134</b>
Governance	1.1	2143	EV Fleet Transformation	2010902143	EV Fleet Transformation	919
<b>Total - 2143 EV Fleet Transformation</b>						<b>919</b>
Governance	1.1	2144	Public EV Chargers	2010912144	Public EV Chargers	685
<b>Total - 2144 Public EV Chargers</b>						<b>685</b>
Governance	1.1	2145	Car sharing enhancement	2010922145	Car sharing enhancement	52
<b>Total - 2145 Car sharing enhancement</b>						<b>52</b>
<b>Total - 1.1 Governance information and engagement</b>						<b>1,789</b>
<b>Total – 1 Governance</b>						<b>1,789</b>
Environment	2.1	2001	Property Purchases - Reserves	2008132001	Bellmont Gully Lincolnshire Farms Reserve	0
				2010302001	Property Purchase	1,541
				2010312001	Cemetery Land	0
				2010692001	Land Purchases	0
					Inner City Parks - Urban	0
<b>Total - 2001 Property Purchases - Reserves</b>						<b>1,541</b>
Environment	2.1	2003	Parks Infrastructure	2000022003	PSR Parks Infrastructure - Renewals (CX)	369
				2005932003	Parks infrastructure General Upgrades	61
				2005942003	Dog Exercise Area Improvements	11
				2008672003	Parks Infrastructure Renewals	220
<b>Total - 2003 Parks Infrastructure</b>						<b>662</b>
Environment	2.1	2004	Parks Buildings	2000042004	PSR Parks Buildings - FM Renewals	393
				2005972004	Building Renewals Not FM	358
<b>Total - 2004 Parks Buildings</b>						<b>751</b>
Environment	2.1	2005	Plimmer Bequest Project	2000062005	PSR Plimmer Bequest Expenditure (CX)	0
<b>Total - 2005 Plimmer Bequest Project</b>						<b>0</b>
Environment	2.1	2006	Botanic Garden	2000072006	Botanic Garden Citycare renewals	582
				2006392006	PSR Botanic Wayfinding Signs & Interpret	11
				2006412006	PSR Bolton St Grave & Memorial Repairs	21

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
				2006512006	Botanic Garden Asset Renewals	448
				2006832006	PSR Allocation P&D	1
				2006852006	PSR Allocation - Property (Architects)	31
				2007892006	Otari Walkway upgrades	105
				2010322006	Ops Centre	0
				2010332006	Otari Landscape Development Plan	0
				2010342006	Begonia House and Café	144
<b>Total - 2006 Botanic Garden</b>						<b>1,342</b>
Environment	2.1	2007	Coastal - upgrades	2000092007	Coastal Beautification	70
<b>Total - 2007 Coastal - upgrades</b>						<b>70</b>
Environment	2.1	2008	Coastal	2000102008	PSR Coastal - Renewals (CX)	331
<b>Total - 2008 Coastal</b>						<b>331</b>
Environment	2.1	2009	Town Belt & Reserves	2000112009	PSR Town Belt & Reserves - Renewals (CX)	377
				2010002009	Other BU Labour Allocations Property Urban Design	37
				2010352009	PSR Town Belt & Reserves - Upgrades	0
				2010362009	Fish Passages	15
				2010372009	Signage	12
				2011142009	Huetepara Park Lyall Bay	154
				2011182009	Workingmen's Bowling Club Newtown	0
<b>Total - 2009 Town Belt &amp; Reserves</b>						<b>596</b>
Environment	2.1	2010	Walkways renewals	2000132010	Walkway Renewals General	263
				2006042010	Community Special Trail Initiatives	87
				2006072010	Townbelt Trails	84
				2006082010	Outer Green Belt Trails	55
				2006092010	Northern Reserve Trails	55
				2006102010	Makara Peak Upgrade Supporters Priorities	31
				2006112010	Suburban Reserve Trails	44
				2007852010	Skyline Extension	329
				2010392010	Lincolnshire Belmont	0
				2010402010	Makara Peak Trails	111
				2011082010	Te Kopahau Trails	200
<b>Total - 2010 Walkways renewals</b>						<b>1,258</b>
<b>Total - 2.1 Gardens, beaches and green open spaces</b>						<b>6,550</b>

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
Environment	2.2	2011	Southern Landfill Improvement	2000152011	2011 Southern Landfill Extension	4,271
				2000172011	Southern Landfill Carbon Unit Purchases	0
				2000182011	Southern Landfill Infrastructure Renewals	79
				<b>Total - 2011 Southern Landfill Improvement</b>		
<b>Total - 2.2 Waste reduction and energy conservation</b>						<b>4,351</b>
Environment	2.3	2013	Water - Network renewals	2008002013	WCC PW Network Renewals	8,350
				<b>Total - 2013 Water - Network renewals</b>		
Environment	2.3	2016	Water - Network upgrades	2008032016	PW Network Upgrades	1,238
				2010592016	WCC PW Network Upgrades - Growth	614
				<b>Total - 2016 Water - Network upgrades</b>		
Environment	2.3	2019	Water - Reservoir renewals	2008092019	WCC PW Reservoir renewals	876
				<b>Total - 2019 Water - Reservoir renewals</b>		
Environment	2.3	2020	Water - Reservoir upgrades	2008102020	WCC PW Reservoir upgrades	1,729
				2010602020	WCC PW Reservoir Upgrades - Growth	13,011
				<b>Total - 2020 Water - Reservoir upgrades</b>		
<b>Total - 2.3 Water</b>						<b>25,817</b>
Environment	2.4	2023	Wastewater - Network renewals	2008072023	WCC WW Network renewals	13,885
				<b>Total - 2023 Wastewater - Network renewals</b>		
Environment	2.4	2024	Wastewater - Network upgrades	2008052024	WCC WW Network upgrades	2,058
				2010612024	WCC WW Network Upgrades - Growth	15,446
				<b>Total - 2024 Wastewater - Network upgrades</b>		
Environment	2.4	2146	Sludge Minimisation	2010932146	Sludge Minimisation	22,663
				<b>Total - 2146 Sludge Minimisation</b>		
<b>Total - 2.4 Wastewater</b>						<b>54,052</b>
Environment	2.5	2028	Stormwater - Network upgrades	2008062028	WCC SW Network upgrades	3,566
				2010582028	WCC SW Network Upgrades - Growth	168
				<b>Total - 2028 Stormwater - Network upgrades</b>		
Environment	2.5	2029	Stormwater - Network renewals	2008082029	WCC SW Network renewals	4,012
				<b>Total - 2029 Stormwater - Network renewals</b>		
<b>Total - 2.5 Stormwater</b>						<b>7,745</b>
Environment	2.6	2033	Zoo renewals	2000672033	Zoo renewals - Zoo Renewals	1,246
				<b>Total - 2033 Zoo renewals</b>		

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
Environment	2.6	2034	Zoo upgrades	2008522034	Snow Leopards Habitat	1,000
<b>Total - 2034 Zoo upgrades</b>						<b>1,000</b>
<b>Total - 2.6 Conservation attractions</b>						<b>2,246</b>
<b>Total – 2 Environment</b>						<b>100,762</b>
Economic Development	3.1	2035	Wellington Venues renewals	2000712035 2000812035 2010182035	Venues property renewals - General capex Venues property renewals - Internal labour allocations BU 21 CCO Venues Operational Assets	6,635 45 1,111
<b>Total - 2035 Wellington Venues renewals</b>						<b>7,791</b>
Economic Development	3.1	2036	Venues Upgrades	2010732036	Venues Upgrades	2,050
<b>Total - 2036 Venues Upgrades</b>						<b>2,050</b>
<b>Total - 3.1 City promotions and business support</b>						<b>9,841</b>
<b>Total – 3 Economic Development</b>						<b>9,841</b>
Cultural Wellbeing	4.1	2038	Gallery & Museum Upgrades	2008392038 2011242038	Bond Store Upgrade Spaceplace renewals	1,515 967
<b>Total - 2038 Gallery &amp; Museum Upgrades</b>						<b>2,481</b>
Cultural Wellbeing	4.1	2041	Te ara o nga tupuna - Maori heritage trails	2000832041	Toa Pou	968
<b>Total - 2041 Te ara o nga tupuna - Maori heritage trails</b>						<b>968</b>
Cultural Wellbeing	4.1	2042	Arts Installation	2000842042	Arts Installation - Arts Installation 1	67
<b>Total - 2042 Arts Installation</b>						<b>67</b>
Cultural Wellbeing	4.1	2129	Wellington Convention & Exhibition Centre (WCEC)	2002982129	Wellington Convention and Exhibition Centre	29,339
<b>Total - 2129 Wellington Convention &amp; Exhibition Centre (WCEC)</b>						<b>29,339</b>
<b>Total - 4.1 Arts and cultural activities</b>						<b>32,855</b>
<b>Total – 4 Cultural Wellbeing</b>						<b>32,855</b>
Social and Recreation	5.1	2043	Aquatic Facility upgrades	2008782043	Khandallah Swimming Pool Upgrade	0

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
<b>Total - 2043 Aquatic Facility upgrades</b>						<b>0</b>
Social and Recreation	5.1	2044	Aquatic Facility renewals	2000862044	PSR Aquatic Facility - Renewals (CX)	3,080
				2010562044	Earthquake Resilience	2,080
<b>Total - 2044 Aquatic Facility renewals</b>						<b>5,160</b>
Social and Recreation	5.1	2045	Sportsfields upgrades	2000872045	PSR Sportsfields - Renewals (CX)	541
				2008602045	Grenada North Community Sports Hub	0
				2011212045	FIFA Lighting Sportsfields	1,900
<b>Total - 2045 Sportsfields upgrades</b>						<b>2,441</b>
Social and Recreation	5.1	2046	Synthetic Turf Sportsfields renewals	2010422046	Synthetic Turf Renewals	2,952
<b>Total - 2046 Synthetic Turf Sportsfields renewals</b>						<b>2,952</b>
Social and Recreation	5.1	2047	Synthetic Turf Sportsfields upgrades	2008712047	Synthetic Turf Tawa/Grenada	0
<b>Total - 2047 Synthetic Turf Sportsfields upgrades</b>						<b>0</b>
Social and Recreation	5.1	2048	Recreation Centre Renewal	2000912048	PSR Recreation Centres - Renewals (CX)	1,088
				2010432048	Rec Centre Upgrades	0
<b>Total - 2048 Recreation Centre Renewal</b>						<b>1,088</b>
Social and Recreation	5.1	2049	ASB Sports Centre	2000932049	PSR ASB Sports Centre - Renewals (CX)	975
<b>Total - 2049 ASB Sports Centre</b>						<b>975</b>
Social and Recreation	5.1	2050	Basin Reserve	2000942050	Basin Reserve (Balance of Master Plan)	1,920
<b>Total - 2050 Basin Reserve</b>						<b>1,920</b>
Social and Recreation	5.1	2051	Playgrounds renewals & upgrades	2000972051	PSR Playgrounds - Renewals (CX)	2,907
				2000982051	PSR Playgrounds - Upgrades (CX)	0
				2010942051	Skate Park Upgrades	411
				2011222051	Destination Skate Park – Kilbirnie Park	0
<b>Total - 2051 Playgrounds renewals &amp; upgrades</b>						<b>3,317</b>
Social and Recreation	5.1	2052	Evans Bay Marina - Renewals	2000992052	PSR Evans Bay Marina - Renewals (CX)	435

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
<b>Total - 2052 Evans Bay Marina - Renewals</b>						<b>435</b>
Social and Recreation	5.1	2053	Clyde Quay Marina - Upgrade	2001002053	PSR Clyde Quay Marina - Upgrade (CX)	1
				2003012053	PSR Clyde Quay Marina - Renewal (CX)	70
<b>Total - 2053 Clyde Quay Marina - Upgrade</b>						<b>71</b>
<b>Total - 5.1 Recreation promotion and support</b>						<b>18,361</b>
Social and Recreation	5.2	2054	Library Materials Upgrade	2001012054	Library Materials Upgrade - Library Collection	2,202
<b>Total - 2054 Library Materials Upgrade</b>						<b>2,202</b>
Social and Recreation	5.2	2055	Library Computer and Systems Replacement	2001022055	Library Computer System Upgrade	0
				2003372055	Computer Renewals	158
<b>Total - 2055 Library Computer and Systems Replacement</b>						<b>158</b>
Social and Recreation	5.2	2056	Central Library - Upgrades and Renewals	2010842056	Central Library – Upgrades & Renewals	20
<b>Total - 2056 Central Library - Upgrades and Renewals</b>						<b>20</b>
Social and Recreation	5.2	2057	Branch Library - Upgrades	2010742057	Libraries – Newtown Community Hub	0
<b>Total - 2057 Branch Library - Upgrades</b>						<b>0</b>
Social and Recreation	5.2	2058	Branch Library - Renewals	2005702058	Community services Accessibility Funds	514
				2010822058	Branch Library – Renewals	389
				2010832058	Branch Library – Western Cluster	6
<b>Total - 2058 Branch Library - Renewals</b>						<b>909</b>
Social and Recreation	5.2	2059	Housing upgrades	2010232059	Healthy Homes Standard Programme	5,488
<b>Total - 2059 Housing upgrades</b>						<b>5,488</b>
Social and Recreation	5.2	2060	Housing renewals	2001182060	Housing renewals - BAU Capex	9,704
				2009252060	Housing renewals - Balconies - GRA	2,729
				2010242060	Single Capital Programme	8,527
<b>Total - 2060 Housing renewals</b>						<b>20,961</b>
Social and Recreation	5.2	2061	Community Centres and Halls - Upgrades and Renewals	2001312061	Community Services - Renewals	86
				2001322061	Community Services - Other Renewals	1,400
				2001362061	Community Services - Aro Valley Community	798



Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
				2001382061	Centre Community Services - Newtown Community Centre	1,072
				2001392061	Community Services - Strathmore Community Centre	1,167
				2001402061	Community Halls - upgrades & renewals	0
				2010222061	Community Services - Karori Event Centre Fitout	1,044
				2010752061	Community Services – Community Centre Upgrades	0
				2010862061	Aho Tini – Venues Programme	0
<b>Total - 2061 Community Centres and Halls - Upgrades and Renewals</b>						<b>5,566</b>
<b>Total - 5.2 Community participation and support</b>						<b>35,303</b>
Social and Recreation	5.3	2062	Burial & Cremations	2001412062	PSR Makara Ash Plot Development	1
				2006902062	PSR Upgrades Headstone Beams Makara Cemetery	58
				2006932062	PSR Cemetery Open Space Renewals	322
				2007672062	Cemetery FM Renewals	21
				2010452062	Cremator Renewals	0
				2010572062	Makara Cemetery Expansion	0
<b>Total - 2062 Burial &amp; Cremations</b>						<b>402</b>
Social and Recreation	5.3	2063	Public Convenience and pavilions	2001432063	PSR Pub & Pav Rnwl NON FM Discret	1,098
				2006332063	FM Model	27
				2006342063	FM Renewals and Discretionary	941
				2008612063	Lincolnshire Stebbings Public Convenience	0
				2010462063	Pub Conven/Pavil Upgrade	0
				2011202063	FIFA Changing room upgrades (Gender Neutral)	805
<b>Total - 2063 Public Convenience and pavilions</b>						<b>2,872</b>
Social and Recreation	5.3	2064	Safety Initiatives	2005782064	Community Services - Safety Initiatives	120
				2010802064	Community Services – Te Aro Park Safety	1,615
<b>Total - 2064 Safety Initiatives</b>						<b>1,735</b>
Social and Recreation	5.3	2065	Emergency Management renewals	2001452065	2065 Civil Defence Deployable Assets	82
<b>Total - 2065 Emergency Management</b>						<b>82</b>

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
			<i>renewals</i>			
<b>Total - 5.3 Public health and safety</b>						<b>5,090</b>
<b>Total – 5 Social and Recreation</b>						<b>58,754</b>
Urban Development	6.1	2067	Wgtn Waterfront Development	2001492067 2008512067 2010472067	Build Wellington - FKP Playground Build Wellington - FKP Garden Development Site 9 Upgrade	1,284 0 1,274
<b>Total - 2067 Wgtn Waterfront Development</b>						<b>2,558</b>
Urban Development	6.1	2068	Waterfront Renewals	2006432068 2006442068 2006462068 2006472068 2006482068 2009382068 2010492068 2010522068 2010532068	PSR Waterfront Public space renewals PSR Waterfront Jetty & Wharf Structure Renewals PSR Waterfront Artworks PSR Waterfront Seawalls PSR Waterfront Building renewals Waterfront Crane Renewals Sails Shed 5 Shed 1	590 577 21 21 157 0 0 1,605 3,200
<b>Total - 2068 Waterfront Renewals</b>						<b>6,172</b>
Urban Development	6.1	2070	Central City Framework	2001552070 2003852070 2010652070 2010662070 2010852070	Laneways North Lambton Quay upgrade GNP – Central City Greening Pocket parks - 44 Fedrerick Street Poneke Promise – Streetscape	360 0 154 3,911 32
<b>Total - 2070 Central City Framework</b>						<b>4,458</b>
Urban Development	6.1	2073	Suburban Centres upgrades	2003152073	Small Centre Beautification	1,863
<b>Total - 2073 Suburban Centres upgrades</b>						<b>1,863</b>
Urban Development	6.1	2074	Minor CBD Enhancements	2001582074	Minor CBD Enhancements - Minor CBD Enhancements	49
<b>Total - 2074 Minor CBD Enhancements</b>						<b>49</b>
Urban Development	6.1	2136	Housing Investment Programme	2008252136 2009652136	Build Wellington - Housing Investment Programme Cpx SHIP – Harrison Street	2,339 2,964

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
				2009662136	SHIP – Nairn Street	1,626
				2009852136	SHIP – 132 Owen Street	1,277
<b>Total - 2136 Housing Investment Programme</b>						<b>8,207</b>
Urban Development	6.1	2137	Build Wellington Developments	2008542137	Build Wellington - Great Harbour Way - Carriageway Shelly Ba	0
<b>Total - 2137 Build Wellington Developments</b>						<b>0</b>
<b>Total - 6.1 Urban development, heritage and public spaces development</b>						<b>23,306</b>
Urban Development	6.2	2076	Earthquake Risk Mitigation	2001652076	EQS - Zoo	200
				2003202076	Build Wellington - EQS - Town Hall	33,058
<b>Total - 2076 Earthquake Risk Mitigation</b>						<b>33,258</b>
<b>Total - 6.2 Building and development control</b>						<b>33,258</b>
<b>Total – 6 Urban Development</b>						<b>56,564</b>
Transport	7.1	2077	Wall, Bridge & Tunnel Renewals	2001722077	2077 Sea Wall Renewals	2,815
				2001732077	2077 Retaining Wall Renewals	5,757
				2001762077	2077 Bridges Renewals	215
<b>Total - 2077 Wall, Bridge &amp; Tunnel Renewals</b>						<b>8,787</b>
Transport	7.1	2078	Asphalt & Other Seal Renewals	2001772078	2078 Asphalt & Other Seal Renewals	1,382
<b>Total - 2078 Asphalt &amp; Other Seal Renewals</b>						<b>1,382</b>
Transport	7.1	2079	Chipseal Renewals	2001782079	2079 Chip seal Renewals	5,353
<b>Total - 2079 Chipseal Renewals</b>						<b>5,353</b>
Transport	7.1	2080	Preseal Preparations	2001792080	2080 Pre seal Preparations	4,012
<b>Total - 2080 Preseal Preparations</b>						<b>4,012</b>
Transport	7.1	2081	Shape & Camber Correction	2001802081	2081 Shape & Camber Correction	3,246
<b>Total - 2081 Shape &amp; Camber Correction</b>						<b>3,246</b>
Transport	7.1	2082	Drainage Renewals	2001812082	2082 Drainage Renewals	285
<b>Total - 2082 Drainage Renewals</b>						<b>285</b>
Transport	7.1	2083	Wall Upgrades	2001832083	2083 Retaining Walls Upgrades	3,401
<b>Total - 2083 Wall Upgrades</b>						<b>3,401</b>
Transport	7.1	2084	Service Lane & Road Boundary Upgrades	2003422084	2084 Service Lane & Road Boundary Upgrades	1,055
<b>Total - 2084 Service Lane &amp; Road Boundary</b>						<b>1,055</b>

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
<b>Upgrades</b>						
Transport	7.1	2085	Tunnel & Bridge Upgrades	2001912085	2085 Bridge Improvements	1,342
				2001922085	2085 Tunnels Upgrades	258
<b>Total - 2085 Tunnel &amp; Bridge Upgrades</b>						<b>1,601</b>
Transport	7.1	2086	Kerb & Channels Renewals	2001962086	2086 Kerb & Channel Renewals	1,979
<b>Total - 2086 Kerb &amp; Channels Renewals</b>						<b>1,979</b>
Transport	7.1	2087	New Roads	2001972087	2087 Woodridge to Lincolnshire	0
				2003742087	2087 Mark Ave to Lincolnshire	0
				2003752087	2087 Tawa Upper Stebbings	0
				2007472087	2087 Petone to Grenada Link	0
				2007482087	2087 Mark Ave to Grenada North	0
				2007492087	2087 John Sims Connection	0
				2007502087	2087 McIntlock St Link	0
				2007512087	2087 Ohariu to Westchester	0
<b>Total - 2087 New Roads</b>						<b>0</b>
Transport	7.1	2088	Emergency Route Walls Upgrades	2001982088	2088 Retaining Wall Resilience Upgrades	0
				2008192088	2088 Ngaio Gorge Resilience Upgrades	2,064
				2008202088	2088 Ngaio Gorge Retaining Wall Strengthening	0
				2009422088	2088 Wadestown Route Resilience Upgrades	2,284
<b>Total - 2088 Emergency Route Walls Upgrades</b>						<b>4,348</b>
Transport	7.1	2089	Roading Capacity Upgrades	2006602089	2089 Johnsonville	0
				2007422089	2089 Rooding Capacity Upgrades	2,008
<b>Total - 2089 Rooding Capacity Upgrades</b>						<b>2,008</b>
Transport	7.1	2090	Roading Rebuild	2002012090	2090 Rooding Rebuild	1,863
<b>Total - 2090 Rooding Rebuild</b>						<b>1,863</b>
Transport	7.1	2091	Port & Ferry Access Upgrades	2003702091	2091 Port & Ferry Access Upgrades	0
<b>Total - 2091 Port &amp; Ferry Access Upgrades</b>						<b>0</b>
Transport	7.1	2094	Cycling Network Renewals	2006662094	2094 Cycleways Minor Works	1,031
				2006692094	2094 East Corridor - Evans Bay	7,140
				2006732094	2094 East Corridor - Kilbirnie	1,007
				2006762094	2094 Cycleways	15,581
				2008552094	2094 Island Bay Cycleway 2018 (CC297)	1,724

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
<b>Total - 2094 Cycling Network Renewals</b>						<b>26,483</b>
Transport	7.1	2095	Bus Priority Planning	2002102095	2095 Bus Shelters	178
				2002112095	2095 Bus Priority Improvements	118
<b>Total - 2095 Bus Priority Planning</b>						<b>297</b>
Transport	7.1	2096	Footpaths Structures Renewals & Upgrades	2002132096	2096 Footpaths Structures Upgrades	303
				2009502096	2096 Footpaths Structures Renewals	28
<b>Total - 2096 Footpaths Structures Renewals &amp; Upgrades</b>						<b>331</b>
Transport	7.1	2097	Footpaths Renewals	2002152097	2097 Footpaths Renewals	4,342
<b>Total - 2097 Footpaths Renewals</b>						<b>4,342</b>
Transport	7.1	2098	Footpaths Upgrades	2002162098	2098 Safer Routes to Schools	286
				2002172098	2098 Footpaths Upgrades	3,334
<b>Total - 2098 Footpaths Upgrades</b>						<b>3,620</b>
Transport	7.1	2099	Street Furniture Renewals	2002182099	2099 Street Furniture Renewals	197
<b>Total - 2099 Street Furniture Renewals</b>						<b>197</b>
Transport	7.1	2100	Pedestrian Network Accessways	2002192100	2100 Pedestrian Accessways Renewals	269
<b>Total - 2100 Pedestrian Network Accessways</b>						<b>269</b>
Transport	7.1	2101	Traffic & Street Signs Renewals	2002202101	2101 Traffic & Street Signs Renewals	1,251
<b>Total - 2101 Traffic &amp; Street Signs Renewals</b>						<b>1,251</b>
Transport	7.1	2102	Traffic Signals Renewals	2002212102	2102 Traffic Signals Renewals	1,078
<b>Total - 2102 Traffic Signals Renewals</b>						<b>1,078</b>
Transport	7.1	2103	Streetlights Renewals & Upgrades	2002282103	2103 Street Light Renewals	906
				2002292103	2103 Street Light Upgrades	103
				2008262103	2103 LED Street Light Transition	2,445
<b>Total - 2103 Street Lights Renewals &amp; Upgrades</b>						<b>3,454</b>
Transport	7.1	2104	Rural Road Upgrades	2002302104	2104 Rural Road Upgrades	356
<b>Total - 2104 Rural Road Upgrades</b>						<b>356</b>
Transport	7.1	2105	Minor Works Upgrades	2002312105	2105 Minor Works Upgrades	4,297
				2006592105	2105 Drainage Upgrades	718
<b>Total - 2105 Minor Works Upgrades</b>						<b>5,015</b>
Transport	7.1	2106	Fences & Guardrails Renewals	2002322106	2106 Fences & Guardrails Renewals	900
<b>Total - 2106 Fences &amp; Guardrails Renewals</b>						<b>900</b>

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
Transport	7.1	2107	Speed Management Upgrades	2002332107	2107 Speed Management Upgrades	458
<b>Total - 2107 Speed Management Upgrades</b>						<b>458</b>
Transport	7.1	2141	LGWM - City Streets	2010102141	PT - Bus Priority Early Improvements	4,544
				2010122141	Walking - Central Area Walking Early Improvements	364
				2010172141	Cycling - Central Area Cycling Early Improvements	156
<b>Total - 2141 LGWM - City Streets</b>						<b>5,064</b>
Transport	7.1	2142	LGWM - Early Delivery	2010142142	Golden Mile	11,983
				2010152142	Thorndon Quay and Hutt Road	919
				2010162142	Central City and SH1 Walking Cycling and Safe Speeds	2,696
<b>Total - 2142 LGWM - Early Delivery</b>						<b>15,598</b>
<b>Total - 7.1 Transport</b>						<b>108,033</b>
Transport	7.2	2108	Parking Asset renewals	2002342108	Parking Meter Renewals	2,272
<b>Total - 2108 Parking Asset renewals</b>						<b>2,272</b>
Transport	7.2	2109	Parking Upgrades	2002362109	2109 Parking Upgrades	190
<b>Total - 2109 Parking Upgrades</b>						<b>190</b>
<b>Total - 7.2 Parking</b>						<b>2,462</b>
<b>Total - 7 Transport</b>						<b>110,495</b>
Council	10.1	2111	Capital Replacement Fund	2003132111	Corp Finance Capital Replacement Fund - Unallocated	3,387
<b>Total - 2111 Capital Replacement Fund</b>						<b>3,387</b>
Council	10.1	2112	Information Management	2002452112	Strategic Initiatives - Trove	300
				2002482112	Strategic Initiatives - Orthophotography	300
				2010292112	Digitisation Services Project	3,616
<b>Total - 2112 Information Management</b>						<b>4,216</b>
Council	10.1	2114	ICT Infrastructure	2002502114	Infrastructure Upgrade - Hardware Upgrades	702
				2002512114	Infrastructure Upgrade - Infrastructure Upgrade	120
<b>Total - 2114 ICT Infrastructure</b>						<b>822</b>
Council	10.1	2116	Strategic Initiatives	2010882116	Children and Young People Survey Tool	51
<b>Total - 2116 Strategic Initiatives</b>						<b>51</b>
Council	10.1	2117	Unscheduled infrastructure	2003112117	Unscheduled Infrastructure Renewals	0

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
			renewals			
<b>Total - 2117 Unscheduled infrastructure renewals</b>						<b>0</b>
Council	10.1	2118	Health & Safety - Legislation Compliance	2003122118	HS Legislative Compliance CAPEX - Unallocated	360
<b>Total - 2118 Health &amp; Safety - Legislation Compliance</b>						<b>360</b>
Council	10.1	2119	Civic Property renewals	2002632119 2002652119	Civic Property Renewals - General capex Civic Property Renewals - Internal labour allocations	513 74
<b>Total - 2119 Civic Property renewals</b>						<b>587</b>
Council	10.1	2120	Commercial Properties renewals	2002662120 2002702120 2002722120 2007212120 2010892120	Commercial property renewals - Te Whaea Roof Works Commercial property renewals - General capex Commercial property renewals - Internal labour allocations Commercial Property Renewals – City to Sea Building Te Whaea/Tawhiri Project	3,000 1,456 19 129 2,554
<b>Total - 2120 Commercial Properties renewals</b>						<b>7,158</b>
Council	10.1	2121	Community & Childcare Facility renewals	2002772121 2002792121	Community property renewals - General capex Community property renewals - Internal labour allocations	1,944 48
<b>Total - 2121 Community &amp; Childcare Facility renewals</b>						<b>1,991</b>
Council	10.1	2126	Business Unit Support	2002862126	Business Support - Support for BU Initiatives	4,100
<b>Total - 2126 Business Unit Support</b>						<b>4,100</b>
Council	10.1	2128	Civic Campus Resilience and Improvements	2002972128 2009542128 2010772128 2010972128 2011192128	Te Ngakau – Public Realm Improvements Civic Centre – MOB Redevelopment Te Ngakau – Separation of Services Te Matapihi - Remediation MFC Car Park improvements	0 3,008 2,563 11,349 0
<b>Total - 2128 Civic Campus Resilience and Improvements</b>						<b>16,920</b>

Strategy	Activity Group	Activity	Activity Description	Project	Project Description	2022/23 budget \$000
Council	10.1	2133	Quarry Renewals & Upgrades	2008452133	2133 Kiwi Point Quarry Renewals	17
				2008462133	2133 Kiwi Point Quarry Upgrades	10,177
				2008472133	2133 New Quarry	435
<b>Total - 2133 Quarry Renewals &amp; Upgrades</b>						<b>10,628</b>
Council	10.1	2140	Security	2010082140	Security Capex Program	642
<b>Total - 2140 Security</b>						<b>642</b>
<b>Total - 10.1 Organisational Projects</b>						<b>50,862</b>
<b>Total – 10 Council</b>						<b>50,862</b>
<b>Grand Total</b>						<b>421,921</b>



## Part D: Appendices

### Appendix One Activity Grouping and Activities

Rationale	Activities
<b>1.1 Governance, information and engagement</b>	
<ul style="list-style-type: none"> <li>To facilitate democratic decision-making.</li> <li>To provide open access to information.</li> </ul>	1.1.1 City governance and engagement. 1.1.2 Civic information. 1.1.3 City archives. 1.1.4 Climate insights and engagement
<b>1.2 Māori and mana whenua partnerships</b>	
<ul style="list-style-type: none"> <li>To strengthen our partnerships and recognise the special place of Māori and mana whenua in Council decision-making.</li> </ul>	1.2.1 Māori and mana whenua partnerships.
<b>2.1 Parks, beaches and open spaces</b>	
<ul style="list-style-type: none"> <li>To provide access to green open spaces.</li> <li>To provide public places to congregate.</li> <li>To provide access to recreational opportunities.</li> <li>To enhance biodiversity.</li> </ul>	2.1.1 Local parks and open spaces. 2.1.2 Botanical gardens. 2.1.3 Beaches and coast operations. 2.1.4 Roads open spaces. 2.1.5 Town belts. 2.1.6 Community environmental initiatives. 2.1.7 Walkways. 2.1.8 Biodiversity (pest management). 2.1.9 Waterfront public space.
<b>2.2 Waste reduction and energy conservation</b>	
<ul style="list-style-type: none"> <li>Reducing environmental impacts.</li> </ul>	2.2.1 Waste, minimisation, disposal and recycling. 2.2.2 Closed landfills aftercare. 2.2.3 Energy efficiency and conservation.
<b>2.3 Water</b>	
<ul style="list-style-type: none"> <li>To increase security of potable and stored water.</li> </ul>	2.3.1 Water network. 2.3.2 Water collection and treatment.
<b>2.4 Wastewater</b>	
<ul style="list-style-type: none"> <li>For public and environmental health.</li> </ul>	2.4.1 Sewage collection and disposal. 2.4.2 Sewage treatment.
<b>2.5 Stormwater</b>	
<ul style="list-style-type: none"> <li>To protect people, property and the environment from flooding and storm run-off.</li> </ul>	2.5.1 Stormwater management.
<b>2.6 Conservation attractions</b>	
<ul style="list-style-type: none"> <li>For conservation and biodiversity.</li> <li>To attract visitors.</li> <li>To protect flora and fauna.</li> </ul>	2.6.1 Conservation visitor attractions.
<b>3.1 City promotions and business support</b>	
<ul style="list-style-type: none"> <li>To attract and retain talented residents.</li> </ul>	3.1.1 WREDA and venues.

<ul style="list-style-type: none"> <li>To grow tourism spend and economic returns from events.</li> <li>To grow inward investment and exports.</li> <li>To sustain city vibrancy.</li> </ul>	<p>3.1.2 Wellington Convention Centre.</p> <p>3.1.3 Retail support.</p> <p>3.1.4 City Growth Fund.</p> <p>3.1.5 Major economic projects.</p> <p>3.1.6 International relations.</p> <p>3.1.7 Business Improvement Districts (BIDs).</p>
<b>4.1 Arts and cultural activities</b>	
<ul style="list-style-type: none"> <li>For city vibrancy and cultural expression.</li> <li>To build and maintain a sense of place and identity.</li> <li>To grow visitation and exposure to creativity and innovation.</li> </ul>	<p>4.1.1 City galleries and museums (Wellington Museums Trust).</p> <p>4.1.2 Visitor attractions (Te Papa / Carter Observatory).</p> <p>4.1.3 Arts and cultural festivals.</p> <p>4.1.4 Cultural grants.</p> <p>4.1.5 Access and support for community arts.</p> <p>4.1.6 Arts partnerships.</p> <p>4.1.7 Regional amenities fund.</p>
<b>5.1 Recreation promotion and support</b>	
<ul style="list-style-type: none"> <li>To encourage active and healthy lifestyles.</li> <li>To enable participation in sporting and other group activities.</li> <li>For social cohesion and connectedness.</li> </ul>	<p>5.1.1 Swimming pools.</p> <p>5.1.2 Sportsfields.</p> <p>5.1.3 Recreation programmes.</p> <p>5.1.4 Recreation centres.</p> <p>5.1.5 Recreation partnerships.</p> <p>5.1.6 Playgrounds.</p> <p>5.1.7 Marinas.</p> <p>5.1.8 Golf course.</p>
<b>5.2 Community Support</b>	
<ul style="list-style-type: none"> <li>To foster diverse and inclusive communities.</li> <li>To enable people to connect with information and with each other.</li> </ul>	<p>5.2.1 Libraries.</p> <p>5.2.3 Community advocacy</p> <p>5.2.4 Grants (social and recreation)</p> <p>5.2.5 Social housing</p> <p>5.2.6 Community centres and halls.</p>
<b>5.3 Public health and safety</b>	
<ul style="list-style-type: none"> <li>To maintain health standards.</li> <li>To help people feel safe.</li> </ul>	<p>5.3.1 Burials cremations.</p> <p>5.3.2 Public toilets.</p> <p>5.3.3 Public health regulations.</p> <p>5.3.4 City safety.</p> <p>5.3.5 Wellington Regional Emergency Management Office (WREMO).</p>
<b>6.1 Urban planning, heritage and public spaces development</b>	
<ul style="list-style-type: none"> <li>To enable smart growth/urban containment.</li> <li>For open public spaces.</li> <li>For character protection.</li> </ul>	<p>6.1.1 Urban planning and policy development.</p> <p>6.1.2 Waterfront development.</p> <p>6.1.3 Public spaces and centres development.</p> <p>6.1.4 Built heritage development.</p> <p>6.1.5 Housing development.</p>

<b>6.2 Building and development</b>	
<ul style="list-style-type: none"> <li>To protect public health and safety.</li> <li>For resilience.</li> </ul>	6.2.1 Building control and facilitation. 6.2.2 Development control and facilitation. 6.2.3 Earthquake risk mitigation – built environment. 6.2.4 Regulatory – building control and facilitation (weathertight homes).
<b>7.1 Transport network</b>	
<ul style="list-style-type: none"> <li>So our transport networks are reliable.</li> <li>To increase mode share and reduce emissions.</li> <li>For road safety.</li> </ul>	7.1.1 Transport planning. 7.1.2 Vehicle network. 7.1.3 Cycle network. 7.1.4 Passenger transport network. 7.1.5 Pedestrian network. 7.1.6 Network-wide control and management. 7.1.7 Road safety. 7.1.8 LGWM
<b>7.2 Parking</b>	
<ul style="list-style-type: none"> <li>To enable people to shop, work and access recreation activities.</li> </ul>	7.2.1 Parking.

## Appendix 2: Ō Kaikaunihera | Your Mayor and Councillors

The Wellington City Council is made up of 14 elected Councillors and a Mayor. The Council is elected, along with all other local authority elected members in New Zealand, every 3 years.

The Mayor is elected by the city's residents. The Councillors are elected by voters from the wards they represent. The wards and number of elected Councillors for each are:

### **Mayor Andy Foster**

Elected: 1992 as Councillor to Wharangi/Onslow-Western Ward, Mayor in 2019

Chair: **Te Kaunihera o Pōneke | Wellington City Council**, and Ngutu Taki | CEO Performance Review Committee

Deputy Chair: **Pūroro Maherehere | Annual Plan/Long-term Plan Committee**

Contact: mayor@wcc.govt.nz

### **Deputy Mayor Sarah Free**

**Motukairangi/Eastern Ward**

Elected: 2013, appointed Deputy Mayor in 2019

Deputy Chair: **Te Kaunihera o Pōneke | Wellington City Council**, and Ngutu Taki | CEO Performance Review Committee

Contact: sarah.free@wcc.govt.nz

### **Councillor Diane Calvert**

**Wharangi/Onslow-Western Ward**

Elected: 2016

Chair: **Pūroro Tahua | Finance and Performance Committee**

Contact: diane.calvert@wcc.govt.nz

### **Councillor Fleur Fitzsimons**

**Paekawakawa/Southern Ward**

Elected: 2017 by-election

Chair: **Kāwai Whakatipu | Grants Subcommittee**

Contact: fleur.fitzsimons@wcc.govt.nz

### **Councillor Rebecca Matthews**

**Wharangi/Onslow-Western Ward**

Elected: 2019

Chair: **Pūroro Maherehere | Annual Plan/Long-term Plan Committee**

Contact: rebecca.matthews@wcc.govt.nz

### **Councillor Iona Pannett**

**Pukehinau/Lambton Ward**

Elected: 2007

Chair: **Pūroro Āmua | Planning & Environment Committee**

Contact: iona.pannett@wcc.govt.nz

### **Councillor Sean Rush**

**Motukairangi/Eastern Ward**

Elected: 2019

Chair: **Pūroro Waihanga | Infrastructure Committee**

Contact: sean.rush@wcc.govt.nz

### **Councillor Jenny Condie**

**Takapū/Northern Ward**

Elected: 2019

Deputy Chair: **Pūroro Waihanga | Infrastructure Committee**, and **Kāwai Māhirahira | Audit & Risk Subcommittee**

Contact: jenny.condie@wcc.govt.nz

### **Councillor Jill Day**

**Takapū/Northern Ward**

Elected: 2016

Chair: **Pūroro Rangaranga | Social, Cultural & Economic Committee**

Contact: jill.day@wcc.govt.nz

### **Councillor Laurie Foon**

**Paekawakawa/Southern Ward**

Elected: 2019

Deputy Chair: **Pūroro Tahua | Finance & Performance Committee**

Contact: laurie.foon@wcc.govt.nz

### **Councillor Teri O'Neill**

**Motukairangi/Eastern Ward**

Elected: 2019

Deputy Chair: **Kāwai Whakatipu | Grants Subcommittee**

Contact: teri.oneill@wcc.govt.nz

### **Councillor Tamatha Paul**

**Pukehinau/Lambton Ward**

Elected: 2019

Deputy Chair: **Pūroro Āmua | Planning & Environment Committee**

Contact: tamatha.paul@wcc.govt.nz

### **Councillor Simon Woolf**

**Wharangi/Onslow-Western Ward**

Elected: 2013

Deputy Chair: **Pūroro Hātepe | Regulatory Processes Committee**

Contact: simon.woolf@wcc.govt.nz

### **Councillor Nicola Young**

**Pukehinau/Lambton Ward**

Elected: 2013

Deputy Chair: **Pūroro Rangaranga | Social, Cultural & Economic Committee**

Contact: nicola.young@wcc.govt.nz

## 2021-31 LTP AMENDMENT ADOPTION

### Kōrero taunaki | Summary of considerations

#### Purpose

1. To recommend to Council to adopt the Long-Term Plan (LTP) Amendment - City Housing, amending the current 2021-31 Long-term Plan to reflect the 1 June 2022 Committee decision on establishing a Community Housing Trust.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- Sustainable, natural eco city
  - People friendly, compact, safe and accessible capital city
  - Innovative, inclusive and creative city
  - Dynamic and sustainable economy
- Strategic alignment with priority objective areas from Long-term Plan 2021–2031**
- Functioning, resilient and reliable three waters infrastructure
  - Affordable, resilient and safe place to live
  - Safe, resilient and reliable core transport infrastructure network
  - Fit-for-purpose community, creative and cultural spaces
  - Accelerating zero-carbon and waste-free transition
  - Strong partnerships with mana whenua

#### Relevant Previous decisions

Outline relevant previous decisions that pertain to the decision being considered in this paper.

#### Significance

The decision is **rated high significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

#### Financial considerations

- Nil       Budgetary provision in Annual Plan / Long-term Plan       Unbudgeted \$X

2. The Long-Term Plan Amendment - City Housing outlines the changes to council financial statement and strategy as a consequence of establishing a Community Housing Trust.

#### Risk

- Low       Medium       High       Extreme
3. Development and adoption of the amendment to the Long-term Plan needs to follow and meet statutory requirements set out in the Local Government Act. The Amendment attached to the report meets all statutory requirements under the Local Government Act 2002

Authors	Matthew Deng, Senior Advisor Geoffrey Coe, Principal Advisor Corporate Planning Richard Marshall, Manager Financial Planning and Policy
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**PŪRORO MAHEREHERE | ANNUAL  
PLAN/LONG-TERM PLAN COMMITTEE  
30 JUNE 2022**

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Authoriser	Stephen McArthur, Chief Strategy & Governance Officer Deirdre Reidy, Acting Chief Financial Officer
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## **Taunakitanga | Officers' Recommendations**

*Officers recommend the following motion*

That Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) **Receive** the information.
- 2) **Note** that the Committee considered the results of consultation including the issues raised in written and oral submissions at its meeting of 1 June 2022.
- 3) **Note** the 2021-31 LTP amendment - City Housing has been prepared based on the decisions and recommendations relating to City Housing of the Committee meeting of 1 June 2022.
- 4) **Note** the LTP amendment financial forecasts reflect updates to the 2021-31 LTP based on the impacts of changes relating to City Housing, and do not fully reflect changes agreed to through the 2022/23 Annual Plan.
- 5) **Note** that the final report from auditors on the City Housing Amendment will be presented to Council at the meeting on 30 June.
- 6) **Recommend** that the Council adopt the 2021-31 LTP Amendment - City Housing (Attachment 1).
- 7) **Delegate** to the Chief Executive and the Mayor the authority to make any editorial changes that may arise as part of the publication process.

## **Whakarāpopoto | Executive Summary**

5. The Council's City Housing amendment is provided for adoption. This follows:
  - Preparation and workshops with elected members on City Housing options.
  - Consultation during April/May 2022;
  - Oral hearings in May 2022;
  - The Committee consideration of all community feedback;
  - Committee deliberation on changes and a recommendation to Council of a final LTP Amendment - City Housing;
  - Receipt of the independent auditor's report on the LTP Amendment - City Housing.

## **Takenga mai | Background**

6. Council has considered the future of City Housing through a series of committee meetings in 2021, and taken options to the community through a formal LTP amendment process alongside consultation on the 2022/23 Annual Plan. Alongside consultation on the future of City Housing, options for the future of the Southern Landfill were also taken to the community.
7. Through consultation with the community and the deliberation at the Committee meeting on 1 June, it was in favour that:
  - City Housing will be setup as 'Community Housing Provider (CHP), under a community trust model; and

- A new landfill to be built on top of the existing Southern Landfill (piggyback option).
  - It was also agreed by the Committee that it is the intention of the Council that the new landfill will be the final Southern Landfill extension, with waste minimisation initiatives prioritised in order to prolong the useful life of the landfill extension as much as possible.
8. As the preferred option for the Southern Landfill is already accommodated for within the existing 2021-31 Long-term Plan, no further LTP amendment is necessary on landfill matters.

### **Kōrerorero | Discussion**

#### *LTP Amendment – City Housing*

9. The 2021-31 LTP Amendment - City Housing document is presented for adoption with this report. (Attachment 1). This document includes the relevant changes to sections of the 2021-31 LTP required as a result of Council taking a decision on the establishment of a Community Housing Provider to operate Council's social housing portfolio.
10. Sections of the 2021-31 LTP amended as a result of the City Housing decision are:
- Summary of financials
  - Statement of Service Provision - 5.2 Tautoko Hāpori Community Support
  - Forecast Capital and Operating expenditure
  - Forecast Financial Statements
  - Funding Impact Statements
  - Disclosure statements for the period commencing 1 July 2021
  - Financial and Infrastructure Strategy
  - Revenue and Financing Policy
  - Significant forecasting assumptions
11. It should be noted that, while consultation on the City Housing LTP amendment has been progressed alongside the development of the 2022/23 Annual Plan, the two documents have been prepared based on separate financial assumptions. The LTP amendment financials reflect updates to the 2021-31 LTP based on the impacts of changes relating to City Housing, and do not fully reflect changes agreed to through the 2022/23 Annual Plan.
12. For example, the long-term impacts of asset revaluations and three waters depreciation are not included within the financial forecasts of the City Housing LTP amendment.
13. For this reason, the 2022/23 rates and budgets included within the City Housing amendment document do not match those in the 2022/23 Annual Plan, with the Annual Plan reflecting the up-to-date figures based on revised financial assumptions and the basis for the rates setting report included later on this agenda.

#### *Audit NZ review*

14. The 2021-31 Long-term Plan City Housing amendment is required to include a report from our Independent Auditors. This report updates the Auditor report included within



the 2021-31 Long-term Plan with any modifications as a result of the City Housing amendments to the LTP. At the time of publishing this report the Auditor's report is in the process of being finalised and will be presented for Council review at the meeting on 30 June.

### **Kōwhiringa | Options**

15. Options on housing and residual waste were provided as part of the LTP amendment Statement of Proposal. The preferred option was agreed on 1 June 2022 Pūroro Maherehere | Annual Plan/Long-Term Plan Committee.

### **Whai whakaaro ki ngā whakataunga | Considerations for decision-making**

#### **Alignment with Council's strategies and policies**

16. The work programme and variances outlined in the Amendment to the Long-term Plan are aligned to Council's strategic objectives. Where decisions are inconsistent with existing policies or strategies that is identified.

#### **Engagement and Consultation**

17. The Special Consultative Procedure was used to inform the decision-making process. For more information on the consultation process and results please see the 1 June 2022 Pūroro Maherehere | Annual Plan/Long-Term Plan Committee agenda.

#### **Implications for Māori**

18. A key objective that guided the development and choice of options for City Housing was to create opportunities for partnerships in the delivery of housing services and in housing development. In particular, establishment of a CHP will be designed to facilitate the opportunity for partnership with iwi in improving housing outcomes in Wellington.
19. These opportunities could include shared governance, partnering in service delivery for tenancy and housing support services, and/or partnering in the redevelopment housing stock.

#### **Financial implications**

20. These are identified in the body of the report.

#### **Legal considerations**

21. These are identified in the body of the report.

#### **Risks and mitigations**

22. These are identified in the body of the report.

#### **Disability and accessibility impact**

23. N/A

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### **Climate Change impact and considerations**

24. N/A

### **Communications Plan**

25. Following adoption of the amendment, communications to all submitters and interested parties will progressed. The final amendment document will also be published online and in hardcopy.

### **Health and Safety Impact considered**

26. N/A

### **Ngā mahinga e whai ake nei | Next actions**

27. The final 2021-31 LTP Amendment - City Housing once adopted will be published online and in hardcopy. This is required to be completed within one month from the date of adoption.

### **Attachments**

Attachment 1. 2021-31 Long-term Plan amendment - City Housing [↓](#) 

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## 2021-31 Long-Term Plan Amendment City Housing

## Purpose

This document outlines the key amendment to the 2021-31 Long Term Plan required as a consequence of Council taking a decision on the establishment of a Community Housing Provider to operate Council's social housing portfolio. The document should be read as an accompanying document to the 2021-31 Long-Term Plan, outlining the sections of the plan that are amended as a consequence of decisions on the future operating model for City Housing.

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## Overview

Through City Housing, the council has more than 1,900 social housing units across the city, housing 3,000 tenants on low incomes. The council has provided social housing in Wellington since the 1950s.

City Housing has a long-standing financial sustainability issue that is now critical. City Housing's only source of income is tenant rent which is set at 70% of market rent – it does not receive any rates funding or funding from government subsidies. This limited income and growing cost pressures means City Housing runs an operating deficit (\$10m and growing) and has a shortfall in funding for necessary housing upgrades. The costs of required housing upgrades will be at least \$286m, significantly higher than the \$180m in the Deed of Grant that the council signed with the government in 2007.

Without new sources of funding, City Housing will run down its financial reserves and will not be able to meet its operating costs and meet Deed of Grant commitments beyond 2022/23.

We have taken steps to address City Housing's sustainability over several years, including operational changes to reduce costs and improve efficiency, establishing a programme to reinvest proceeds from targeted divestment into ongoing upgrades, and leasing properties to other providers to increase revenue – but more significant change is now needed.

This amendment seeks to provide a long-term solution to address city housing financial sustainability issues.

This amendment will see the Council establish a registered Community Housing Provider (CHP) set up as a community housing trust. A CHP is a regulated entity that is registered with the Community Housing Regulatory Authority (CHRA) and provides public housing. Establishing a CHP means the social housing service will be independent from council and run by a separate entity – in this case a Board of Trustees. The council will continue to own the housing assets and the trust would run the housing service.

A CHP will improve tenant wellbeing over time through access to the subsidy scheme (IRRS) for new eligible tenants. It will also resolve the financial sustainability challenges and will enable delivery of new social housing supply in Wellington.

### Impact of Granville Flats decommissioning

Since consultation was completed, in May 2022 the Wellington Tenth Trust, which owns that land on which the Granville Flats building sits, confirmed to Council that it would not renew the land lease when it expires at the end of the 2022/23 year. This will result in the decommissioning and demolition of the Granville buildings.

We have considered the implications of this decision for the LTP amendment and consider that the impact is not significant on the amendment agreed by the Council on 1 June.

While the budget forecasts to be adopted as part of the amendment do not reflect the decision of the trust to not renew the Granville lease, given the impacts of the lease termination are immaterial and have no impact on the 2022/23 year, they will be adjusted through the 2023/24 Annual Plan process.

We will work with residents to complete a thorough needs assessment to understand what residents need and want from their future home, and all tenants will be rehoused in alternative Council homes by December 2023, with the Council covering tenants' moving costs.

## Consultation and what you said

Consultation on this amendment was undertaken over April to May 2022 alongside consultation on the Council's 2022/23 Annual Plan. Consultation included submissions, live webinars and oral hearings with Councillors with a particular focus on engaging with current City Housing tenants. Consultation with tenants included direct contact with all tenants on the proposals, face-to-face drop in sessions, and translations of key documents into a range of languages.

Consultation outlined a number of options to address the service's current and forecast financial sustainability challenges. Questions in consultation were:

- Would you prefer the Council fund City Housing through increasing rates and borrowing or by setting up an independent Community Housing Provider?
- If the Council did establish a Community Housing Provider (CHP), which option do you support?
  - i. Option 1: Asset-owning, fully independent CHP
  - ii. Option 2: Leasehold CHP with broad responsibilities (Preferred Option)
  - iii. Option 3: Leasehold CHP with narrow responsibilities
- If the council established a CHP, do you agree with the council's preference for a community trust, rather than a company or limited partnership?

Over the consultation period, there were over 616 submitters responding to the City Housing issue and a quarter of all submissions came from city housing tenants. The majority of the feedback was in favour of establishing a Community Housing Provider (CHP) (49.7%). Submitters also supported the Council's preferred CHP model (Option 2: Leasehold CHP with board responsibilities) (43.9%) and agreed that the CHP should be a community trust (78.5%).

In addition, through consultation submitters raised a range of questions, for example about the administration of a CHP, IRRS accessibility for current tenants, rental affordability, and central Government's responsibility of providing social housing. Council officers are able to respond to these questions through feedback to submitters on the outcome of consultation and many of these issues will be considered by the Council in the design of the Community Housing Trust as it is established.

### *Southern Landfill*

At the same time as consulting on the future of City Housing, we also consulted on another potential amendment to our Long-term Plan relating to the future of the Southern Landfill. Given the current landfill is nearing capacity and the existing consent is expiring in June 2026, we needed to consider the future arrangements for disposal of residual waste. We asked the community for feedback on the following question:

- The council's preference is for a new landfill on top of the existing landfill (piggyback option), rather than waste to energy incineration or having no residual waste facility in Wellington City. Which option do you prefer?

There were over 550 pieces of community feedback on the future of the Southern Landfill during the consultation period. The outcome highlighted the most preferred option was in favour of the piggyback option (50%). Based on this community feedback through consultation, Council agreed to the 'piggyback' option, building a new landfill on top of the existing.

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Given the 'piggyback' option does not require changes to Council services or additional funding beyond that already allowed for in the 2021-31 LTP, no amendments to the LTP are required for this decision.

Work will now begin on resource consenting for the extension of the landfill in the upcoming year. Construction work will commence once all the required resource consents are obtained. The extended landfill is expected to be completed before June 2026, before the current landfill expires.

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Independent auditor's report

To be provided at meeting on 30 June



*Taken from Volume 1: Summary of financials pages 24-31*

## Summary of financials

Council’s preferred option for City Housing going forward is establishing a Community Housing Provider (CHP) to operate the social housing service which would see Council retaining the ownership of the Housing assets but have a long term leasing arrangement in place with the CHP. This means Council will need to continue to fund the on-going maintenance of the existing Housing stock. In order to meet its commitment to the Deed of Grant, Council will need to fund at least \$180m from borrowings plus also an additional \$106m is estimated to be required to meet the requirements of the Deed of Grant. An additional \$157m has been provided for major maintenance work to be done over the 10 years as well. These requirements have been included in this amendment and funded from borrowings.

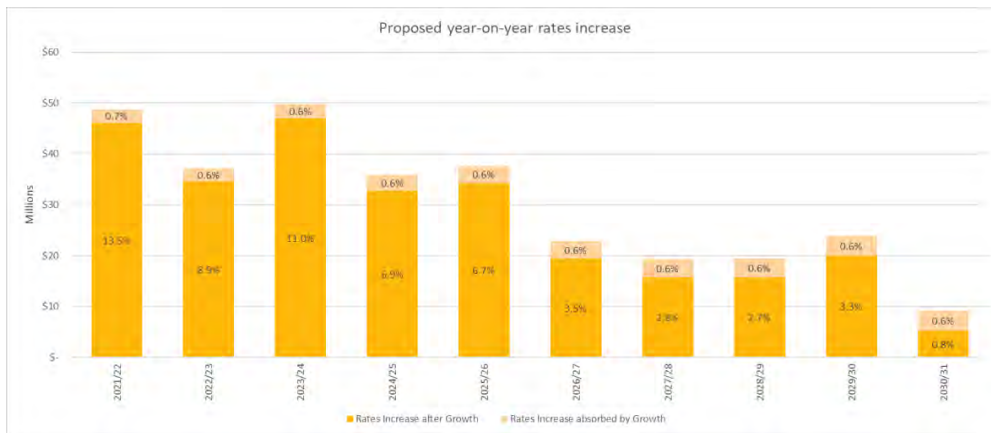
This option is based on a leasehold CHP with broad responsibilities arrangement, which would require Council to provide \$35m capital upfront over 5 years in the form of a Grant to the new entity to enable the CHP to grow future housing stock in line with Council’s goals and objectives set for the Trust.

### Rates

Based on this preferred option, the forecasted total rates requirement increases from \$428m in 2022/23 through to \$646m in 2030/31. This growth in total rates is due to a number of factors including this proposed City Housing option as well as additional increases in costs in order to provide 400 plus services that Council provides every day. We forecast a rates requirement in relation to the preferred CHP option of \$246m for the 10 years to 2030-31 (an average of roughly \$24.5m per year). For 2023/24, the rates requirement will be \$21m or 4.4% of the total rates.



The proposed rate increases over the 10 years has been illustrated below and would have an average rates impact on ratepayers of 8.9% for the 2022/23 rating year compared to a forecasted increase of 9.1% net increase in rates as per the 2021 – 31 Long Term Plan (LTP). This option also forecasts an average rate increase (after growth in the rating based is excluded) of 6.0% over the 10 year period to 2030/31 compared to 5.5% forecasted in the LTP.

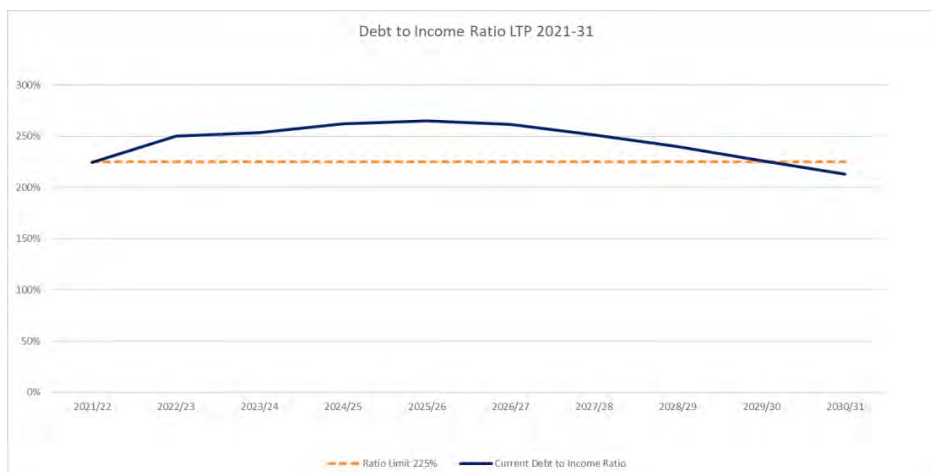


**Revenue**

Total revenue will decrease over the 10 years forecasted in the LTP due in part to the impact of this Housing proposal as Council will receive a reduced income (calculated as net income from the CHP of market rental less operating costs and a 10% margin). This will see total revenue in 2030/31 reduce from the LTP figure of \$974.1m to \$955.2m, a difference of \$18.9m between this plan and that of the LTP. Similarly total expenditure will decrease by \$31.6m from a LTP figure of \$966.3m to \$934.7m in the Annual Plan. This is due to certain costs of the City Housing activity moving across to the CHP.

**Debt**

As this preferred option uses debt to fund to maintain the quality of the Housing assets, this will see Council’s net borrowings in 2022/23 of \$1,314m increase to \$1,899m in 2026/27 before reducing to \$1,732m in 2030/31. This 2030/31 figure differs from the \$1,539.6m in the LTP by \$193m, \$23m of which relates to the preferred option for the capitalisation of Community Housing Provider. The balance of the difference is as a result of other Council decisions such as the proposed Environmental and Accessibility Performance Fund, debt funding Council’s pandemic response and changes to the capital expenditure programme. The graph below illustrates how Council is forecasting its borrowing requirements (including \$270m for additional borrowing capacity to cover insurance underwriting for major events). This shows Council being outside its debt limit for 7 years until 2029/30 when it returns to Council policy limits.



*Taken from Volume 1: Statement of service provision pages 78-81*

## Statement of Service Provision - 5.2 Tautoko Hāpori Community Support

### 5.2 Tautoko Hāpori | Community support

By providing libraries, community centres and social housing we foster diverse and inclusive communities and enable people to connect with information and each other.

We provide a wide range of facilities forming part of the city's 'hard' social infrastructure that support community wellbeing. These include libraries, community spaces and social housing.

Activities in this group	Rationale
5.2.1 Libraries	<p><i>This activity grouping primarily contributes to the community outcome: A people friendly, compact, safe and accessible capital city</i></p> <ul style="list-style-type: none"> <li><i>To foster diverse and inclusive communities.</i> Our community facilities are places for groups to come together – strengthening social cohesion, celebrating diversity and making the city a more appealing and welcoming place to live.</li> <li><i>To enable people to connect with information and with each other.</i> Our community facilities are places of discovery and learning that allow people to connect with others and exchange knowledge through events and other activities.</li> <li><i>To support warmer, drier, healthier homes.</i> The quality of Wellington homes is improved.</li> <li><i>To support communities to take climate action</i> Climate actions that can be undertaken by community groups are supported and enabled.</li> </ul>
5.2.2 Access support (Leisure Card)	
5.2.3 Community advocacy	
5.2.4 Grants (social and recreation)	
5.2.5 Social Housing	
5.2.6 Community centres and halls	

#### *Services we provide*

- Council currently provides social housing for the purpose of providing rental for low-income Wellingtonians whose housing is not met by the private sector – we currently own over 1,900 units. Council has agreed upon establishing a Community Housing Provider to take over the management of our social housing portfolio. Once this CHP is established then Council's role will shift to the leasing of housing units to the Community Housing provider

#### *Key projects/programmes*

- *Social Housing.* We will continue to improve the quality of our social housing to bring all Council social housing stock up to the requirements of the Healthy Homes Standards (costing \$16.6m over years 1 to 3). Beyond Healthy Housing we also plan to continue to upgrade our City Housing stock in line with our Deed of Grant with the Government. The expected cost of the housing upgrade programme is \$286m, based on a 2020 QS assessment. Given the escalation in construction sector costs, the costs of the upgrades are now likely to be higher than this.
- Over the long term, the level of investment required in our housing, along with the discounted rents that we are able to recover, means that our social housing portfolio is financially unsustainable. In order to address this, we will be establishing a Community Housing Provider (CHP) entity. Once established, the CHP will take over operating our social

housing tenancy service. This will enable new tenants to be able to access the Government’s Income Related Rent subsidy.

- The Council will be involved in the CHP, including continuing to own the housing stock (leasing it to the CHP for social housing), and will appoint trustees to the trust’s governance board, but the council will not be in majority control. The CHP will instead be an independent community housing trust with a dedicated focus on the provision of affordable, quality and sustainable social housing in Wellington.

*Operating and capital budgets*



**Comment**  
 The increase in Operating expenditure is due to an increase in the Capital Programme and the associated depreciation cost.



**Comment**  
 The Central Library budget is held at the organisational level rather than in this activity area and that is why it is not shown in this chart.

*What you can expect of us – performance measures*

Performance measure	Previous target (2020/21)	Target 2021-31
<b>Customer focus</b>		
Occupancy rate of available housing facilities*	90%	95%
Tenant satisfaction (%) with services and facilities (includes neutral)*	90%	90%

\*Note that these social housing performance measures will be removed once a Community Housing Provider is established. Council’s role, and performance measures, will shift from the management of social housing to the leasing of properties to the CHP for their use as the social housing provider. Once established, the CHP will have its own dedicated public accountability documents available including outlining the performance measures it will use to report performance in the management of social housing.

Taken from Volume 1: Operating Expenditure by activity page 175

### Operating Expenditure by activity

(\$000s)

Strategy	Activity group	Activity	Activity description		2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	Total
Social and Recreation	5.2	1125	Housing Operations and Maintenance	Income	(27,113)	(27,559)	(13,795)	(15,292)	(16,707)	(18,745)	(20,544)	(22,337)	(24,188)	(26,217)	(212,496)
				Operating Costs	37,361	40,061	29,623	33,341	42,361	47,160	48,876	51,463	56,086	59,866	446,198
		Total - 1125 Housing Operations and Maintenance			10,248	12,503	15,828	18,049	25,654	28,416	28,332	29,126	31,898	33,649	233,703
Social and Recreation	5.2	1126	Housing Upgrade Project	Operating Costs	0	1	1	1	1	1	1	1	1	1	6
				Total - 1126 Housing Upgrade Project			0	1	1	1	1	1	1	1	1

Taken from Volume 1: Capital Expenditure by activity page 188

### Capital Expenditure by activity

(\$000s)

Strategy	Activity group	Activity	Activity description	Project	Project description	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget	2029/30 Budget	2030/31 Budget	Total	
Social and Recreation	5.2	2059	Housing upgrades	2009862059	Housing upgrades - Curtains	63	0	0	0	0	0	0	0	0	0	63	
				2010232059	Healthy Homes Standard Programme	5,305	5,488	5,635	2,241	0	0	0	0	0	0	0	18,669
		Total - 2059 Housing upgrades				5,368	5,488	5,635	2,241	0	0	0	0	0	0	18,732	
Social and Recreation	5.2	2060	Housing renewals	2001182060	Housing renewals - BAU Capex	6,574	9,704	8,943	18,718	14,022	8,505	10,813	7,001	20,841	18,810	123,931	
				2009252060	Housing renewals - Balconies - GRA	63	2,729	0	0	0	0	0	0	0	0	0	2,792
				2010242060	Single Capital Programme	2,148	8,527	23,148	32,311	33,054	51,272	64,029	65,822	26,379	0	306,691	
		Total - 2060 Housing renewals				8,785	20,961	32,091	51,028	47,076	59,777	74,842	72,824	47,219	18,810	433,414	

Taken from Volume 1: Forecast financial statements pages 116-121

## Forecast Financial Statements

### Forecast Statement of Comprehensive Revenue and Expense - Wellington City Council

	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>REVENUE</b>											
Revenue from rates	392,812	429,987	479,829	515,657	553,257	576,109	595,387	614,845	638,647	647,767	682,067
Revenue from development contributions	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Revenue from grants, subsidies and reimbursements	49,667	37,939	41,140	47,453	41,298	41,567	41,108	42,290	42,643	43,706	38,043
Revenue from operating activities	154,615	163,921	163,038	169,805	177,887	186,815	194,793	203,677	212,026	220,510	229,093
Investments	10,503	12,294	21,552	25,041	25,337	25,661	26,017	26,373	26,727	27,079	27,403
Fair value movement on investment property revaluation	10,386	7,046	6,765	7,328	8,174	8,174	8,738	9,019	9,019	9,301	9,583
Vested asset revenue				187,000							
Other revenue	1,100	1,101	1,855	1,487	1,495	1,099	1,100	1,100	1,099	3,364	1,567
Finance Revenue	13	13	13	13	14	14	14	9	10	10	10
<b>TOTAL REVENUE</b>	<b>622,596</b>	<b>655,801</b>	<b>717,692</b>	<b>957,284</b>	<b>810,962</b>	<b>842,939</b>	<b>870,657</b>	<b>900,813</b>	<b>933,671</b>	<b>955,237</b>	<b>991,266</b>
<b>EXPENSE</b>											
Finance expense	23,323	38,328	44,881	51,382	57,823	62,092	61,395	59,040	59,490	58,503	69,108
Expenditure on operating activities	436,871	480,145	485,799	498,611	511,090	517,041	512,488	520,031	531,301	544,964	560,844
Depreciation and amortisation	146,736	153,004	181,581	208,481	234,110	256,660	280,465	301,630	323,914	331,278	350,158
<b>TOTAL EXPENSE</b>	<b>606,929</b>	<b>671,477</b>	<b>712,261</b>	<b>758,474</b>	<b>803,023</b>	<b>835,793</b>	<b>854,348</b>	<b>880,701</b>	<b>914,705</b>	<b>934,745</b>	<b>980,110</b>
<b>NET SURPLUS FOR THE YEAR</b>	<b>15,667</b>	<b>(15,676)</b>	<b>5,431</b>	<b>198,810</b>	<b>7,939</b>	<b>7,146</b>	<b>16,309</b>	<b>20,112</b>	<b>18,966</b>	<b>20,492</b>	<b>11,156</b>
<b>OTHER COMPREHENSIVE INCOME</b>											
Fair value movement - property, plant and equipment (net)	0	0	173,095	542,726	0	231,478	640,583	0	275,912	733,158	0
Share of equity accounted surplus from associates											
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>0</b>	<b>0</b>	<b>173,095</b>	<b>542,726</b>	<b>0</b>	<b>231,478</b>	<b>640,583</b>	<b>0</b>	<b>275,912</b>	<b>733,158</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>15,667</b>	<b>(15,676)</b>	<b>178,526</b>	<b>741,536</b>	<b>7,939</b>	<b>238,624</b>	<b>656,892</b>	<b>20,112</b>	<b>294,878</b>	<b>753,650</b>	<b>11,156</b>

Forecast Statement of Financial Position - Wellington City Council

	2020/21 AP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and cash equivalents	21,419	23,340	20,846	17,503	14,817	10,593	5,638	8,256	7,030	8,280	6,771
Other financial assets	209,000	112,500	76,000	71,500	40,000	75,000	137,000	62,000	78,000	25,000	50,000
Receivables and recoverables	64,708	68,782	70,018	73,287	77,023	80,616	83,815	87,315	90,770	93,865	97,701
Inventories	1,549	787	787	787	787	787	787	787	787	787	787
Other financial asset	0	0	0	0	0	0	0	0	0	0	0
Prepayments	14,379	18,580	18,900	19,408	19,898	20,051	19,627	19,843	20,280	20,865	21,513
Non-current assets classified as held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total Current Assets</b>	<b>311,055</b>	<b>223,989</b>	<b>186,551</b>	<b>182,485</b>	<b>152,525</b>	<b>187,047</b>	<b>246,867</b>	<b>178,201</b>	<b>196,867</b>	<b>148,797</b>	<b>176,772</b>
<b>Non Current Assets</b>											
Derivatives - non-current assets	-	7,821	7,821	7,821	7,821	7,821	7,821	7,821	7,821	7,821	7,821
Other financial assets	16,131	19,581	19,581	19,581	19,581	19,581	19,581	19,581	19,581	19,581	19,581
Intangible Assets	84,353	41,617	39,350	31,799	24,650	23,424	20,824	18,595	16,701	14,662	16,345
Investment Properties	274,309	296,513	303,278	310,606	318,780	326,954	335,692	344,711	353,730	363,031	372,614
Property, plant and equipment	8,182,726	8,805,728	9,180,156	10,121,475	10,254,002	10,537,940	11,172,632	11,153,792	11,392,114	12,058,845	12,015,015
Investment in subsidiaries	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998
Investment in associates	19,033	19,474	19,474	19,474	19,474	19,474	19,474	19,474	19,474	19,474	19,474
<b>Total Non Current Assets</b>	<b>8,582,550</b>	<b>9,196,732</b>	<b>9,575,658</b>	<b>10,516,754</b>	<b>10,650,306</b>	<b>10,941,192</b>	<b>11,582,022</b>	<b>11,569,972</b>	<b>11,815,419</b>	<b>12,489,412</b>	<b>12,456,848</b>
<b>Total Assets</b>	<b>8,893,605</b>	<b>9,420,721</b>	<b>9,762,209</b>	<b>10,699,239</b>	<b>10,802,831</b>	<b>11,128,239</b>	<b>11,828,889</b>	<b>11,748,173</b>	<b>12,012,286</b>	<b>12,638,209</b>	<b>12,633,620</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Derivative financial liabilities	709	1,798	1,798	1,798	1,798	1,798	1,798	1,798	1,798	1,798	1,798
Trade and other payables	64,761	70,208	67,343	69,672	66,108	61,641	57,445	58,193	58,510	57,742	61,095
Deferred revenue	16,092	19,330	19,226	20,024	20,977	22,030	22,971	24,018	25,003	26,003	27,015
Borrowings	209,000	111,816	75,316	70,816	39,316	74,316	136,316	61,316	77,316	24,316	49,316
Provisions for other liabilities	4,058	5,551	6,087	6,944	7,815	8,704	9,689	10,724	11,386	12,302	13,289
Employee benefit liabilities and provisions	12,262	12,199	12,017	12,206	12,479	12,755	13,009	13,284	13,570	13,839	14,126
<b>Total Current Liabilities</b>	<b>306,882</b>	<b>220,902</b>	<b>181,787</b>	<b>181,460</b>	<b>148,493</b>	<b>181,244</b>	<b>241,228</b>	<b>169,333</b>	<b>187,583</b>	<b>136,000</b>	<b>166,639</b>
<b>Non Current Liabilities</b>											
Derivative financial liabilities	106,331	53,045	53,045	53,045	53,045	53,045	53,045	53,045	53,045	53,045	53,045
Borrowings	1,070,401	1,315,431	1,518,631	1,715,684	1,845,453	1,900,557	1,885,400	1,857,553	1,809,244	1,733,658	1,687,720
Provisions for other liabilities	34,995	44,727	43,406	42,152	40,972	39,870	38,773	37,656	36,917	36,329	35,850
Employee benefit liabilities and provisions	1,174	1,159	1,357	1,379	1,410	1,441	1,469	1,500	1,533	1,563	1,596
<b>Total Non Current Liabilities</b>	<b>1,212,901</b>	<b>1,414,362</b>	<b>1,616,439</b>	<b>1,812,260</b>	<b>1,940,880</b>	<b>1,994,913</b>	<b>1,978,687</b>	<b>1,949,754</b>	<b>1,900,739</b>	<b>1,824,595</b>	<b>1,778,211</b>
<b>Total Liabilities</b>	<b>1,519,783</b>	<b>1,635,264</b>	<b>1,798,226</b>	<b>1,993,720</b>	<b>2,089,373</b>	<b>2,176,157</b>	<b>2,219,915</b>	<b>2,119,087</b>	<b>2,088,322</b>	<b>1,960,595</b>	<b>1,944,850</b>
<b>Net Assets</b>	<b>7,373,822</b>	<b>7,785,457</b>	<b>7,963,983</b>	<b>8,705,519</b>	<b>8,713,458</b>	<b>8,952,082</b>	<b>9,608,974</b>	<b>9,629,086</b>	<b>9,923,964</b>	<b>10,677,614</b>	<b>10,688,770</b>
<b>Equity</b>											
Accumulated funds and retained earnings	5,044,157	5,063,310	5,068,726	5,267,519	5,275,442	5,282,585	5,298,879	5,318,986	5,337,948	5,358,437	5,369,594
Revaluation reserves	2,415,427	2,744,142	2,917,237	3,459,963	3,459,963	3,691,441	4,332,024	4,332,024	4,607,936	5,341,094	5,341,094
Hedging Reserve	(107,041)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)
Fair value through other comprehensive income reserve	5,085	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029
Restricted funds	16,194	18,998	19,013	19,030	19,046	19,049	19,064	19,069	19,073	19,076	19,075
<b>Total Equity</b>	<b>7,373,822</b>	<b>7,785,457</b>	<b>7,963,983</b>	<b>8,705,519</b>	<b>8,713,458</b>	<b>8,952,082</b>	<b>9,608,974</b>	<b>9,629,086</b>	<b>9,923,964</b>	<b>10,677,614</b>	<b>10,688,770</b>

Forecast Statement of Changes in Equity - Wellington City Council

	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Equity - opening balances</b>											
Accumulated funds and retained earnings	5,028,502	5,081,105	5,065,416	5,070,832	5,269,625	5,277,548	5,284,691	5,300,985	5,321,092	5,340,054	5,360,543
Revaluation reserves	2,415,427	2,744,142	2,744,142	2,917,237	3,459,963	3,459,963	3,691,441	4,332,024	4,332,024	4,607,936	5,341,094
Hedging reserve	(107,041)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)
Fair value through other comprehensive revenue and expense reserve	5,085	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029
Restricted funds	16,182	18,985	18,998	19,013	19,030	19,046	19,049	19,064	19,069	19,073	19,076
<b>Total Equity - opening balances</b>	<b>7,358,155</b>	<b>7,803,239</b>	<b>7,787,563</b>	<b>7,966,089</b>	<b>8,707,625</b>	<b>8,715,564</b>	<b>8,954,188</b>	<b>9,611,080</b>	<b>9,631,192</b>	<b>9,926,070</b>	<b>10,679,720</b>
<b>Changes in Equity</b>											
<i>Retained earnings</i>											
Net surplus for the year	15,667	(15,676)	5,431	198,810	7,939	7,146	16,309	20,112	18,966	20,492	11,156
Transfer to restricted funds	(3,358)	(3,438)	(3,529)	(3,620)	(3,705)	(3,801)	(3,899)	(3,995)	(4,085)	(4,176)	(4,263)
Transfer from restricted funds	3,346	3,425	3,514	3,603	3,689	3,798	3,884	3,990	4,081	4,173	4,264
Transfer from revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
Transfer to revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
<i>Revaluation reserves</i>											
Fair value movement - property, plant and equipment - net	-	-	173,095	542,726	-	231,478	640,583	-	275,912	733,158	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-
<i>Hedging reserve</i>											
Movement in hedging reserve	-	-	-	-	-	-	-	-	-	-	-
<i>Fair value through other comprehensive revenue and expense reserve</i>											
Movement in fair value	-	-	-	-	-	-	-	-	-	-	-
<i>Restricted Funds</i>											
Transfer from retained earnings	3,358	3,438	3,529	3,620	3,705	3,801	3,899	3,995	4,085	4,176	4,263
Transfer to retained earnings	(3,346)	(3,425)	(3,514)	(3,603)	(3,689)	(3,798)	(3,884)	(3,990)	(4,081)	(4,173)	(4,264)
<b>Total comprehensive revenue and expense</b>	<b>15,667</b>	<b>(15,676)</b>	<b>178,526</b>	<b>741,536</b>	<b>7,939</b>	<b>238,624</b>	<b>656,892</b>	<b>20,112</b>	<b>294,878</b>	<b>753,650</b>	<b>11,156</b>
<b>Net Equity - Closing Balances</b>											
Accumulated funds and retained earnings	5,044,157	5,063,310	5,068,726	5,267,519	5,275,442	5,282,585	5,298,879	5,318,986	5,337,948	5,358,437	5,369,594
Revaluation reserves	2,415,427	2,744,142	2,917,237	3,459,963	3,459,963	3,691,441	4,332,024	4,332,024	4,607,936	5,341,094	5,341,094
Hedging reserve	(107,041)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)	(47,022)
Fair value through other comprehensive revenue and expense reserve	5,085	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029	6,029
Restricted funds	16,194	18,998	19,013	19,030	19,046	19,049	19,064	19,069	19,073	19,076	19,075
<b>Total Equity - closing balances</b>	<b>7,373,822</b>	<b>7,785,457</b>	<b>7,963,983</b>	<b>8,705,519</b>	<b>8,713,458</b>	<b>8,952,082</b>	<b>9,608,974</b>	<b>9,629,086</b>	<b>9,923,964</b>	<b>10,677,614</b>	<b>10,688,770</b>



Forecast Statement of Cash Flows - Wellington City Council

	2021/22 LTP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Cash flows from operating activities</b>											
Receipts from rates - Council	391,452	430,943	478,430	514,651	552,202	575,468	594,846	614,299	637,979	647,511	681,104
Receipts from rates - Greater Wellington Regional Council	82,205	90,498	100,470	108,077	115,962	120,848	124,917	129,002	133,976	135,977	143,032
Receipts from activities and other income	154,314	166,905	165,741	170,901	198,731	207,401	215,540	224,235	232,714	241,075	249,784
Receipts from grants and subsidies - operating	8,616	9,425	9,701	9,921	10,144	10,387	10,676	10,970	11,256	11,548	11,836
Receipts from grants and subsidies - capital	44,551	32,014	35,695	41,419	35,048	34,679	33,932	34,819	34,887	37,923	30,174
Receipts from investment property lease rentals	10,376	10,394	10,652	10,941	11,237	11,561	11,917	12,273	12,627	12,979	13,303
Cash paid to suppliers and employees	(380,985)	(429,670)	(430,554)	(438,705)	(474,534)	(480,886)	(480,729)	(487,868)	(499,512)	(513,259)	(524,084)
Rates paid to Greater Wellington Regional Council	(82,205)	(90,498)	(100,470)	(108,077)	(115,962)	(120,848)	(124,917)	(129,002)	(133,976)	(135,977)	(143,032)
Grants paid	(49,052)	(48,753)	(57,790)	(57,069)	(59,631)	(60,469)	(56,379)	(51,199)	(51,035)	(51,888)	(52,759)
Net GST (paid) / received	-	-	-	-	-	-	-	-	-	-	-
<b>Net cash flows from operating activities</b>	<b>179,272</b>	<b>171,258</b>	<b>211,875</b>	<b>252,059</b>	<b>273,197</b>	<b>298,141</b>	<b>329,803</b>	<b>357,529</b>	<b>378,916</b>	<b>385,889</b>	<b>409,358</b>
<b>Cash flows from investing activities</b>											
Dividends received	127	1,900	10,900	14,100	14,100	14,100	14,100	14,100	14,100	14,100	14,100
Interest received	13	13	13	13	14	14	14	9	10	10	10
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of investment properties	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant and equipment	2,000	15,400	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Proceeds from sale of intangibles	-	-	-	-	-	-	-	-	-	-	-
Increase / (decrease) in investments	-	-	-	-	-	-	-	-	-	-	-
Purchase of investment properties	-	-	-	-	-	-	-	-	-	-	-
Purchase of intangibles	(4,252)	(5,038)	(3,947)	(3,282)	(1,167)	(799)	(2,404)	(2,606)	(1,283)	(871)	(1,604)
Purchase of property, plant and equipment	(331,760)	(384,104)	(381,654)	(413,904)	(362,776)	(310,692)	(271,916)	(281,527)	(287,170)	(265,789)	(310,327)
<b>Net cash flows from investing activities</b>	<b>(333,872)</b>	<b>(371,829)</b>	<b>(372,688)</b>	<b>(401,073)</b>	<b>(347,829)</b>	<b>(295,377)</b>	<b>(258,206)</b>	<b>(268,024)</b>	<b>(272,343)</b>	<b>(250,550)</b>	<b>(295,821)</b>
<b>Cash flows from financing activities</b>											
New borrowings	325,565	460,235	315,016	272,369	200,585	94,420	59,159	108,469	13,007	1,730	(21,622)
Repayment of borrowings	(132,000)	(209,000)	(111,816)	(75,316)	(70,816)	(39,316)	(74,316)	(136,316)	(61,316)	(77,316)	(24,316)
Interest paid on borrowings	(23,323)	(38,328)	(44,881)	(51,382)	(57,823)	(62,092)	(61,395)	(59,040)	(59,490)	(58,503)	(69,108)
<b>Net cash flows from investing activities</b>	<b>170,242</b>	<b>212,907</b>	<b>158,319</b>	<b>145,671</b>	<b>71,946</b>	<b>(6,988)</b>	<b>(76,552)</b>	<b>(86,887)</b>	<b>(107,799)</b>	<b>(134,089)</b>	<b>(115,046)</b>
Net increase/(decrease) in cash and cash equivalents	15,642	12,336	(2,494)	(3,343)	(2,686)	(4,224)	(4,955)	2,618	(1,226)	1,250	(1,509)
Cash and cash equivalents at beginning of year	5,777	11,004	23,340	20,846	17,503	14,817	10,593	5,638	8,256	7,030	8,280
<b>Cash and cash equivalents at end of year</b>	<b>21,419</b>	<b>23,340</b>	<b>20,846</b>	<b>17,503</b>	<b>14,817</b>	<b>10,593</b>	<b>5,638</b>	<b>8,256</b>	<b>7,030</b>	<b>8,280</b>	<b>6,771</b>

Forecast Statement of Changes in Restricted / Reserve Funds - Wellington City Council

	Opening balance	Deposits	Expenditure	Closing balance	
	2022/23			2031/32	
	\$000	\$000	\$000	\$000	Purpose
<b>Special reserves and funds</b>					
Reserve purchase and development fund	782	-	-	782	
City growth fund	4,741	21,523	(21,523)	4,741	
Insurance reserve	12,979	16,823	(16,823)	12,979	Allows the Council to meet the uninsured portion of insurance claims
<b>Total special reserves and funds</b>	<b>18,502</b>	<b>38,346</b>	<b>(38,346)</b>	<b>18,502</b>	
<b>Trusts and bequests</b>					
A Graham Trust	4	2	-	6	For the upkeep of a specific area of Karori Cemetery
A W Newton Bequest	361	141	(75)	427	For the benefit of art (Fine Arts Wellington), education (technical and other night schools) and athletics (rowing)
E A McMillan Estate	6	-	-	6	For the benefit of the public library
E Pengelly Bequest	19	5	-	24	For the purchase of children's books
F L Irvine Smith Memorial	9	2	-	11	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	2	-	7	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	5	2	-	7	For the purchase of children's books
Kirkaldie and Stains Donation	17	-	-	17	For the beautification of the BNZ site
QEII Memorial Book Fund	24	8	-	32	For the purchase of books on the Commonwealth
Schola Cantorum Trust	9	3	-	12	For the purchase of musical scores
Terawhiti Grant	10	-	-	10	To be used on library book purchases
Wellington Beautifying Society Bequest	14	-	-	14	To be used on library book purchases
<b>Total trusts and bequests</b>	<b>483</b>	<b>165</b>	<b>(75)</b>	<b>573</b>	
<b>Total restricted funds</b>	<b>18,985</b>	<b>38,511</b>	<b>(38,421)</b>	<b>19,075</b>	

Taken from Volume 1: Funding impact statements pages 123 and 135

## Funding Impact Statements

### FUNDING IMPACT STATEMENT FOR WHOLE OF COUNCIL

	2021/22 AP	2022/23 LTP	2023/24 LTP	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	227,390	254,268	291,055	316,387	345,921	364,668	380,387	394,185	410,460	415,933
Targeted rates (other than a targeted rate for water supply)	165,415	175,720	188,780	199,268	207,334	211,439	215,003	220,661	228,187	231,836
Subsidies and grants for operating purposes	8,616	9,425	9,701	9,921	10,144	10,387	10,676	10,970	11,256	11,548
Fees and charges	155,430	163,541	162,669	169,470	177,556	186,518	194,532	203,431	211,808	220,311
Interest and dividends from investments	140	1,913	10,913	14,113	14,114	14,114	14,114	14,109	14,110	14,110
Local authorities fuel tax, fines, infringement fees, and other receipts	10,662	11,874	12,122	12,375	12,668	12,958	13,278	13,619	13,944	14,278
<b>Total operating funding (A)</b>	<b>567,653</b>	<b>616,740</b>	<b>675,239</b>	<b>721,534</b>	<b>767,738</b>	<b>800,084</b>	<b>827,991</b>	<b>856,976</b>	<b>889,766</b>	<b>908,016</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	387,684	431,251	427,941	441,474	451,391	456,506	456,045	468,767	480,200	493,007
Finance costs	23,323	38,328	44,881	51,382	57,823	62,092	61,395	59,040	59,490	58,503
Other operating funding applications	49,187	48,893	57,858	57,139	59,704	60,545	56,457	51,279	51,118	51,973
<b>Total applications of operating funding (B)</b>	<b>460,194</b>	<b>518,472</b>	<b>530,680</b>	<b>549,996</b>	<b>568,918</b>	<b>579,142</b>	<b>573,898</b>	<b>579,087</b>	<b>590,808</b>	<b>603,483</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>107,459</b>	<b>98,268</b>	<b>144,559</b>	<b>171,538</b>	<b>198,820</b>	<b>220,941</b>	<b>254,093</b>	<b>277,889</b>	<b>298,958</b>	<b>304,533</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	41,051	28,514	32,195	37,919	31,548	31,179	30,432	31,319	31,387	34,423
Development and financial contributions	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Increase (decrease) in debt	188,802	268,881	199,008	192,850	125,110	49,982	(20,797)	(34,094)	(55,225)	(82,791)
Gross proceeds from sales of assets	2,000	15,400	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding (C)</b>	<b>235,353</b>	<b>316,295</b>	<b>236,703</b>	<b>236,268</b>	<b>162,159</b>	<b>86,661</b>	<b>15,135</b>	<b>2,725</b>	<b>(18,338)</b>	<b>(42,868)</b>
<b>Applications of capital funding</b>										
Capital expenditure										
- to meet additional demand	42,822	50,956	44,766	71,452	60,761	65,742	25,186	28,079	50,548	56,448
- to improve level of service	173,973	197,329	179,881	165,354	137,013	65,976	52,081	54,140	52,531	59,525
- to replace existing assets	126,228	166,198	156,525	170,921	163,124	175,807	191,881	198,316	177,462	145,607
Increase (decrease) in reserves	(212)	81	89	80	81	77	79	79	79	85
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding (D)</b>	<b>342,812</b>	<b>414,563</b>	<b>381,262</b>	<b>407,806</b>	<b>360,979</b>	<b>307,602</b>	<b>269,228</b>	<b>280,614</b>	<b>280,620</b>	<b>261,665</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(107,459)</b>	<b>(98,268)</b>	<b>(144,559)</b>	<b>(171,538)</b>	<b>(198,820)</b>	<b>(220,941)</b>	<b>(254,093)</b>	<b>(277,889)</b>	<b>(298,958)</b>	<b>(304,533)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses for this activity grouping include the following depreciation/amortisation charge</b>										
	146,736	153,004	181,581	208,481	234,110	256,660	280,465	301,630	323,914	331,278
<b>Internal charges and overheads recovered</b>										
Internal charges and overheads recovered	37,952	38,694	39,570	39,133	39,724	40,677	41,243	41,920	42,902	43,951
Internal charges and overheads applied	29,307	29,096	29,594	30,305	31,009	31,652	32,276	33,104	33,771	34,435
<b>Total of internal charges</b>	<b>8,645</b>	<b>9,598</b>	<b>9,975</b>	<b>8,828</b>	<b>8,715</b>	<b>9,025</b>	<b>8,967</b>	<b>8,816</b>	<b>9,131</b>	<b>9,516</b>

**FUNDING IMPACT STATEMENT**  
**Community participation and support (5.2)**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	AP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	33,651	34,804	36,182	35,087	35,815	36,009	39,616	41,424	42,125	42,063
Targeted rates (other than a targeted rate for water supply)	6,969	6,806	7,608	7,635	7,956	8,070	7,584	7,659	7,816	7,905
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	27,836	28,325	14,578	16,379	17,925	19,966	21,775	23,584	25,456	27,451
Internal charges and overheads recovered	870	924	186	197	162	302	153	155	158	161
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	407	0	0	0	0	0	0	0	0	0
<b>Total operating funding (A)</b>	<b>69,734</b>	<b>70,860</b>	<b>58,553</b>	<b>59,297</b>	<b>61,859</b>	<b>64,347</b>	<b>69,127</b>	<b>72,822</b>	<b>75,555</b>	<b>77,580</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	36,054	38,445	25,663	22,012	22,585	23,140	23,158	23,733	24,337	24,954
Finance costs	(612)	315	276	2,246	4,051	6,157	8,402	10,303	11,336	11,334
Internal charges and overheads applied	16,008	16,022	13,399	14,971	15,205	14,713	14,405	14,281	14,285	14,171
Other operating funding applications	4,720	4,785	8,252	7,819	11,889	11,959	8,032	5,106	5,181	5,258
<b>Total applications of operating funding (B)</b>	<b>56,170</b>	<b>59,567</b>	<b>47,590</b>	<b>47,048</b>	<b>53,730</b>	<b>55,969</b>	<b>53,996</b>	<b>53,422</b>	<b>55,139</b>	<b>55,718</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>13,563</b>	<b>11,292</b>	<b>10,963</b>	<b>12,249</b>	<b>8,128</b>	<b>8,377</b>	<b>15,131</b>	<b>19,399</b>	<b>20,417</b>	<b>21,862</b>
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	300	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	7,183	24,010	31,365	46,435	42,671	57,952	63,092	56,873	30,351	597
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
<b>Total sources of capital funding (C)</b>	<b>7,483</b>	<b>24,010</b>	<b>31,365</b>	<b>46,435</b>	<b>42,671</b>	<b>57,952</b>	<b>63,092</b>	<b>56,873</b>	<b>30,351</b>	<b>597</b>
<b>Applications of capital funding</b>										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	3,378	5,479	210	0	0	0	0	0	0	0
- to replace existing assets	17,668	29,823	42,119	58,684	50,799	66,329	78,223	76,273	50,767	22,459
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding (D)</b>	<b>21,046</b>	<b>35,303</b>	<b>42,329</b>	<b>58,684</b>	<b>50,799</b>	<b>66,329</b>	<b>78,223</b>	<b>76,273</b>	<b>50,767</b>	<b>22,459</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(13,563)</b>	<b>(11,292)</b>	<b>(10,964)</b>	<b>(12,249)</b>	<b>(8,128)</b>	<b>(8,377)</b>	<b>(15,131)</b>	<b>(19,399)</b>	<b>(20,417)</b>	<b>(21,862)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Expenses for this activity grouping include the following depreciation/amortisation charge										
	20,509	23,484	26,471	29,967	33,441	36,502	43,210	48,272	52,061	55,451

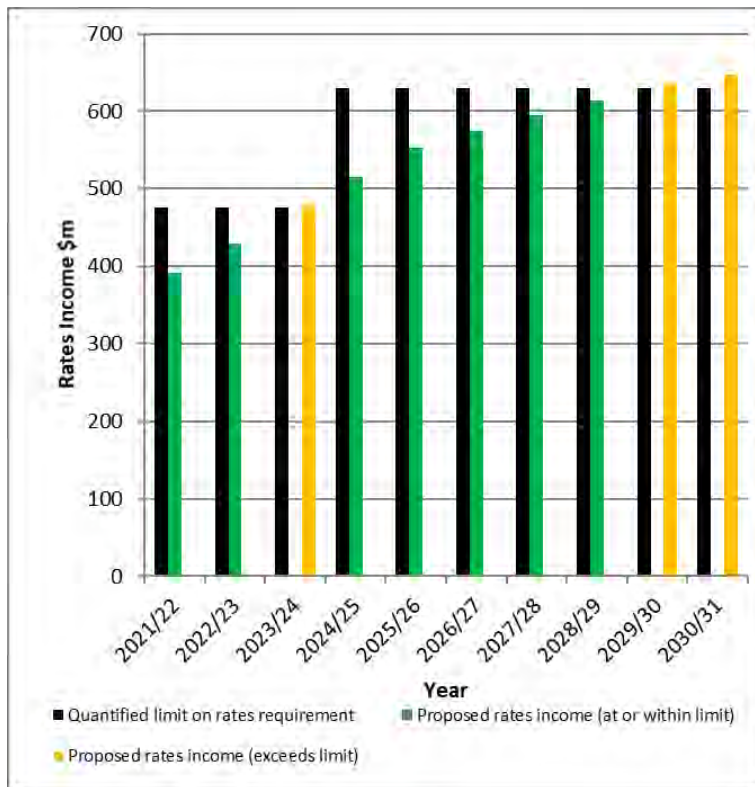
*Taken from Volume 1: Funding impact statements pages 123 and 135*

### Disclosure statements for the period commencing 1 July 2021

#### Rates (income) affordability

The following graph compares the council's actual rates increases with a quantified dollar limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit for the first three years of the Long-term Plan is \$465,000,000 and is \$630,000,000 for the years 4 – 10 of the Long-term plan.

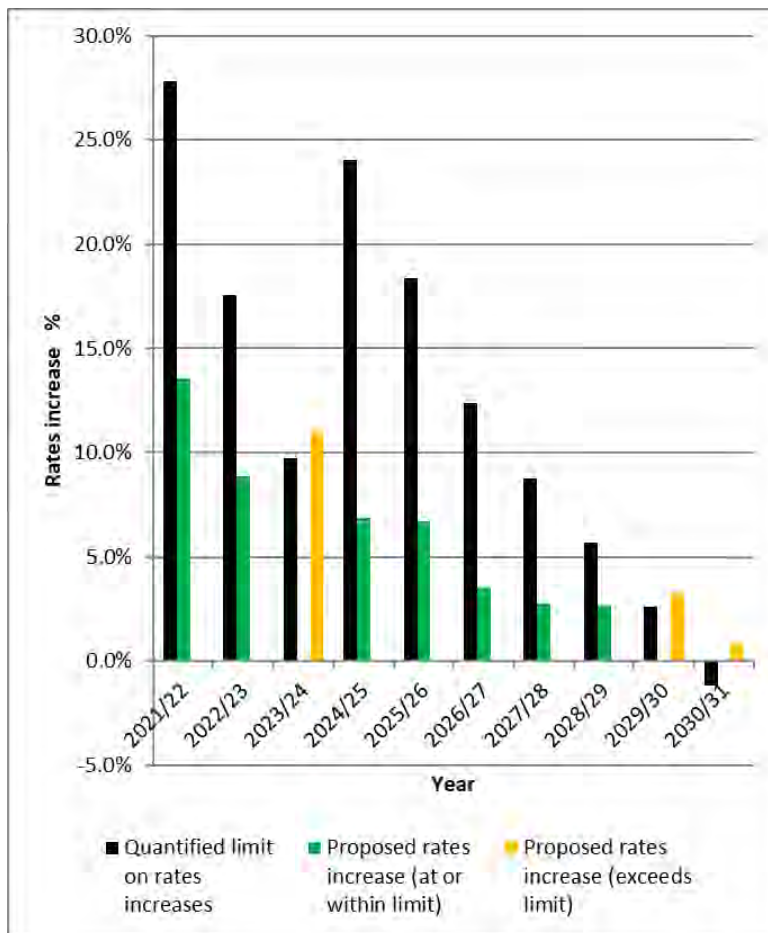
The proposed rates income is forecast to be above the quantified limits in years 2023/24, 2029/30 and 2030/31. This is a result of updated forecasts made through the 2022/23 Annual Plan and in particular increases to the costs of borrowing beyond the assumptions in the 2021-31 Long-Term Plan. The increase in rates income do not relate to the establishment a Community Housing Trust. Council will re-examine rates and debt benchmarks as a part of the next Long-Term Plan in 2024.



**Rates (increases) affordability**

The following graph compares the council's planned rates increases with a quantified limit on rates increases included in the financial strategy in the council Long-term Plan. The quantified limit for the annual rates increase is the difference between the rates limit for the year and the previous year's rates income expressed as a percentage. Growth in the rating base reduces the impact of the overall rates increase on existing ratepayers. We have assumed an average growth in the ratepayer base of 0.6 percent per year over the 10 years of the plan. After accounting for growth, the annual rates increase limit is the equivalent of an average rates increase of 10.5 percent over the first 3 years of this plan and an average of 5.5 percent over 10 years.

The proposed rates increase is forecast to be above the quantified limits in years 2023/24, 2029/30 and 2030/31. This is a result of updated forecasts made through the 2022/23 Annual Plan and in particular increases to the costs of borrowing beyond the assumptions in the 2021-31 Long-Term Plan. The increase in rates income do not relate to the establishment a Community Housing Trust. Council will re-examine rates and debt benchmarks as a part of the next Long-Term Plan in 2024.



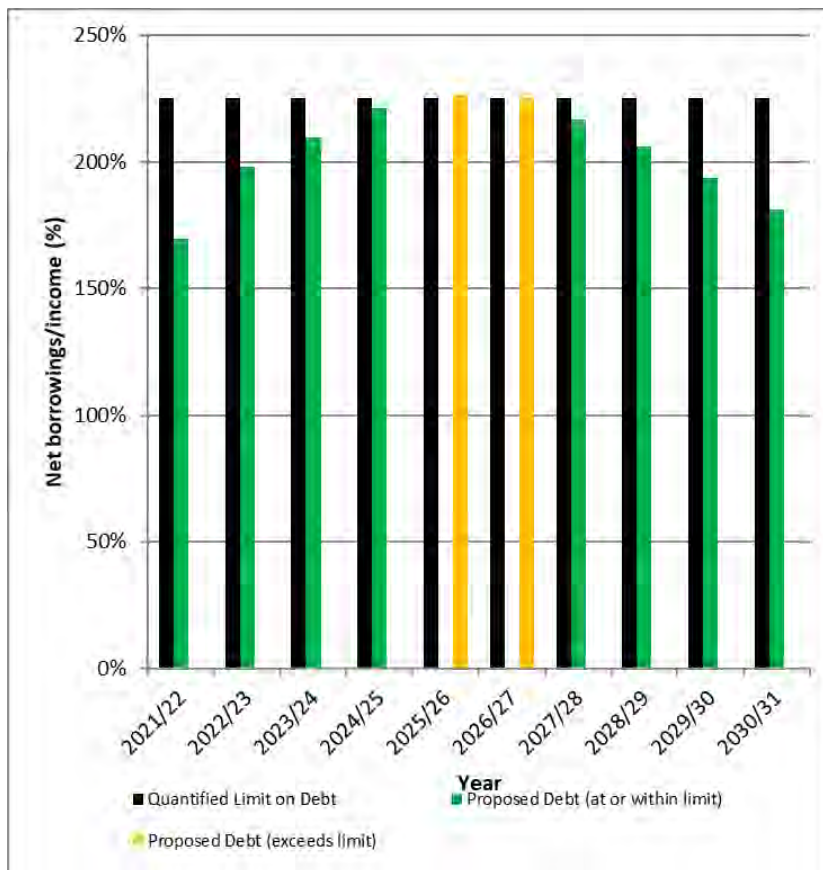
**Debt affordability benchmark**

**Net borrowing as a percentage of income**

The following graph compares the council's proposed borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is net borrowings, comprised of borrowings less cash and cash equivalents, being less than or equal to 225% of income. For this measure income is defined as total revenue less vested assets and development contribution income.

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowings.

The proposed debt to income ratio is forecast to be above the quantified limits in years 2025/26 and 2026/27. This is a result of a combination of additional borrowing forecasts and the impacts of decreased council revenue (social housing rents) related to the establishment of a Community Housing Trust. Council will re-examine rates and debt benchmarks as a part of the next Long-Term Plan in 2024.

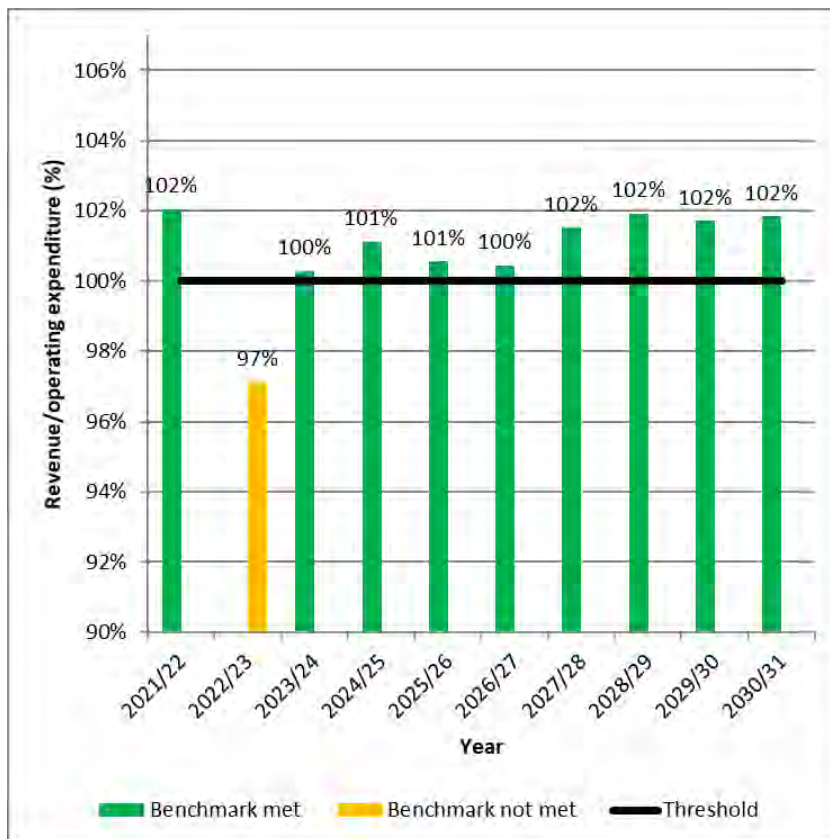


**Balanced budget benchmark**

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses. In 2022/23 the planned revenue falls below the planned operating expenditure (97%).

There are no material changes to the measure as a result of the establishment of a Community Housing Trust.



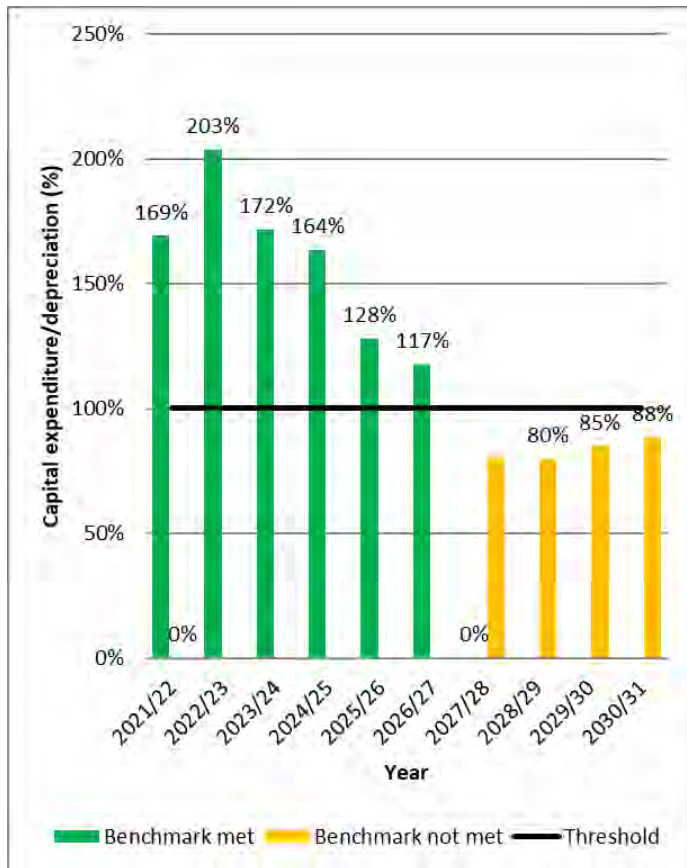


**Essential services benchmark**

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services. Essential services comprise expenditure on the three waters and transport.

The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services. In years 7 to 10 of the plan the level of capital expenditure on network services falls below depreciation. This is driven by capital expenditure to improve levels of service occurring in the later years; the depreciation impact from this capital expenditure lags behind the renewal/replacement investment. The depreciation is only for the existing assets in commission and is not related to the capital expenditure of assets yet to be commissioned.

There are no material changes to the measure as a result of the establishment of a Community Housing Trust.

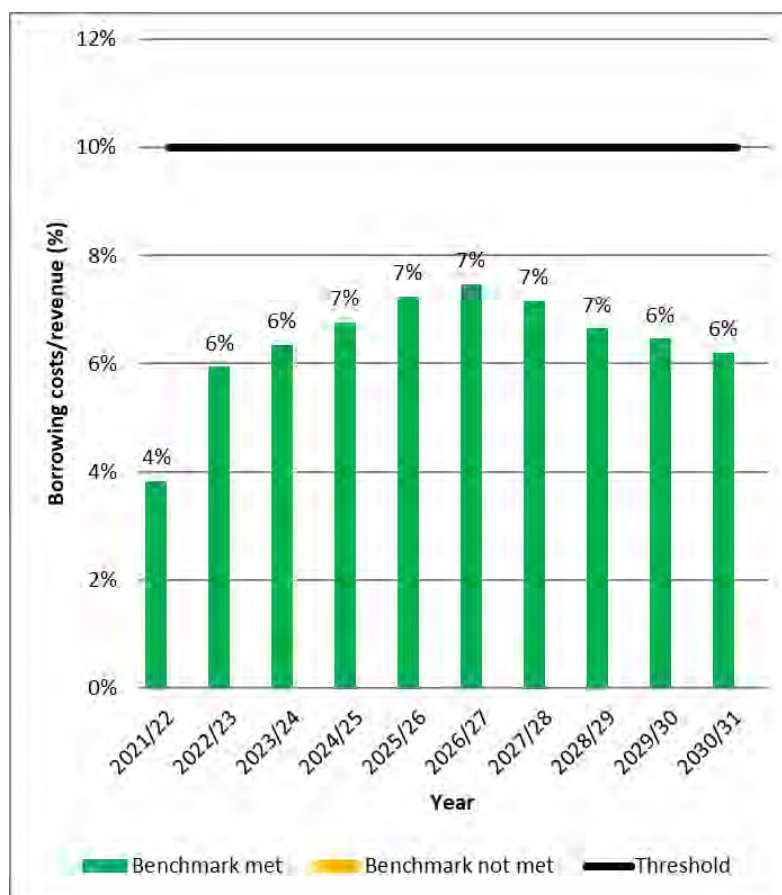


**Debt servicing benchmark**

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

There are no material changes to the measure as a result of the establishment of a Community Housing Trust.



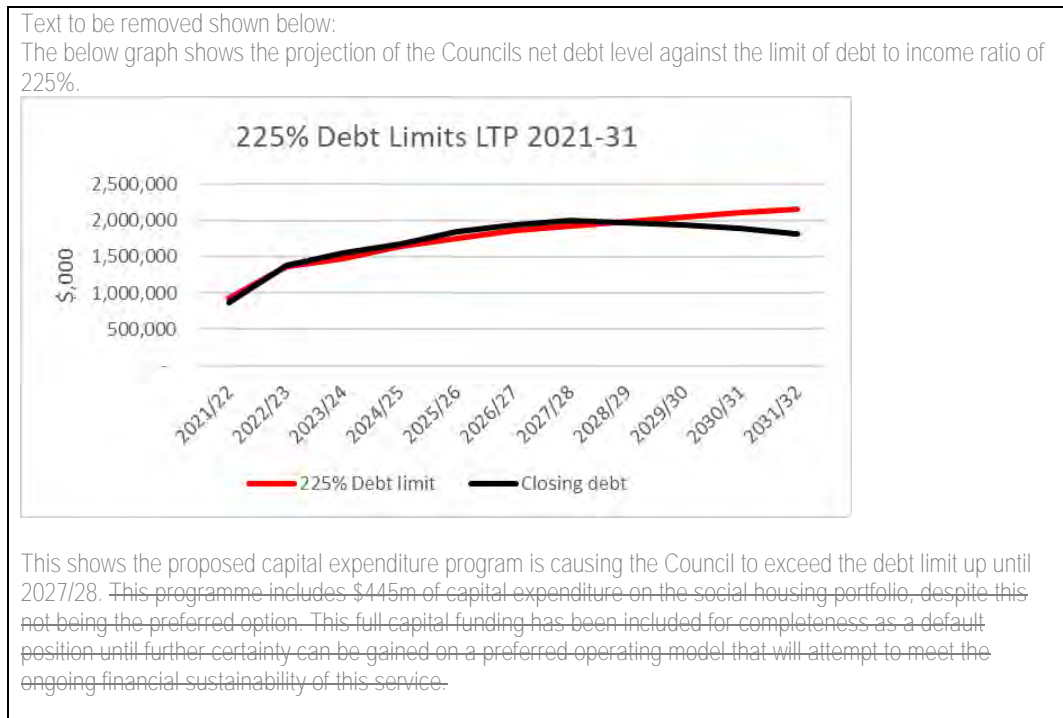
*Taken from Volume 2: Financial and Infrastructure Strategy pages 18-70*

## Financial and Infrastructure Strategy

### Financial trends and implications

*Taken from Volume 2: Financial and Infrastructure Strategy page 25*

This amendment will remove the requirement for the highlighted text below in this section of the Financial and Infrastructure Strategy given the amendment will resolve future uncertainty of a preferred operating model for city housing.



## Challenges

*Taken from Volume 2: Financial and Infrastructure Strategy page 29*

### Challenge 2 – Housing and Urban Development - Growing & Changing

#### *Response - Providing social housing*

The Council is already one of the city's, and country's, largest providers of social rental housing, with more than 1,900 homes across the city. WCC provides social housing to people on low-incomes and the city's most vulnerable people.

Currently, City Housing faces both a funding challenge, with an average \$26m annual operating deficit over the first 10 years, and a financing challenge, as it is unable to meet the estimated cost to complete the Housing Upgrade Programme (HUP). The rents are also becoming increasingly unaffordable for tenants. Rents are currently set at 70% of market rent (a 30% discount on rental rates necessary to make tenancies more affordable), and market rental prices are increasing in

Wellington (71% increase in market rents since the Deed was signed). There is not a single, simple solution to our financing and funding challenges – a number of changes are needed. WCC is seeking to achieve several objectives through the proposed changes:

- Commit to partnering with Central Government, mana whenua and other partners to increase social housing provision in Wellington
- Providing security of tenure and affordable rents for our tenants
- Improve our financial position for the remainder of the Deed period and manage housing cost pressures alongside other Council funding issues
- Complete the full upgrade programme, including meeting new regulatory requirements that were not in effect when the Deed was signed
- Creating new revenue sources to reduce reliance on rental income from tenants.

The Council plans to establish a Community Housing Provider (CHP) to take over the management of its social housing units. Following a transition period, this will resolve the financial challenges facing the Council and stabilise housing portfolio as a CHP will be able to access the Government's Income-Related Rent Subsidy for new tenants. Given they can access other government subsidies for housing development, a CHP will also be well set up to add to social housing supply in Wellington.

The Council has also set the Te Mahana strategy to end homelessness in Wellington. It weaves international best practice with culturally specific steps for ending homelessness, to establish short and medium-term priorities for action.

### Community Infrastructure

*Taken from Volume 2: Financial and Infrastructure Strategy pages 68-69*

#### *Social Housing upgrades*

The Council has more than 1,900 social housing units across the city. In 2007, we signed a Deed of Grant with Central Government. It commits us to remaining a provider of social housing until at least 2037 and to upgrading our housing portfolio to modern standards.

We have completed phase 1 of the upgrades, for which we received a \$220m grant from Central Government. Phase 2 is due to begin in 2022 and be completed by 2028. By 2024, we also need to complete further upgrades to meet the new Healthy Homes standards set out in legislation.

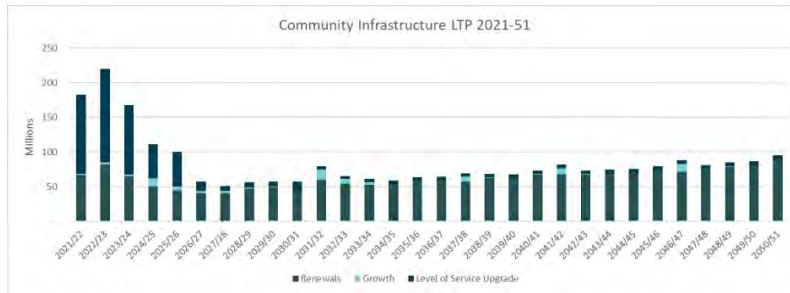
We plan to undertake this full upgrade programme, however as outlined earlier in this Strategy, there are fundamental financial sustainability issues and City Housing operational revenue is currently unable to sustainably fund this level of investment and operate a sustainable social housing service.

In order to address this, we will be establishing a Community Housing Provider (CHP) entity. Once established, the CHP will take over operating our social housing. This will enable new tenants to be able to access the Government's Income Related Rent subsidy.

The Council will be involved in the CHP, including continuing to own the housing stock (leasing it to the CHP for social housing) and contributing to the CHP's governance by appointing some of the trustees to the governance board, but the Council will not be in majority control. The CHP will instead be an independent trust with a dedicated focus on the provision of affordable, quality and sustainable social housing in Wellington.

To operate, the CHP needs to be registered with the Community Housing Regulatory Authority (CHRA). This means the CHP is a regulated entity. The CHP would be required to comply with a strong regulatory framework to ensure it is well-run and that it delivered the outcomes expected by tenants, the community, and the council. CHRA requires CHPs to meet performance criteria which cover governance, management, tenancy management, financial viability, and property and asset management.

As well as regulatory requirements, the CHP would be monitored through its governing documents, particularly the trust deed and the leasehold agreement between the council and the CHP.



\*The above graph is inflated.



\*The above graph is inflated.

*Taken from Volume 2: Revenue and Financing Policy page 136*

## Revenue and Financing Policy

### Activity 5.2.5: Housing

The Council owns over 1900 housing units, which we rent to low income people whose housing needs are not met by the private sector. We allocate these homes according to need. Tenants are charged 70 percent of the estimated market rent for their property.

#### Community outcome

This activity contributes towards the following outcome:

- *A people friendly, compact, safe and accessible capital city* - they provide an opportunity for a home and a better quality of life for those less well-off without unreasonable hardship.

Who benefits?	
Individuals/Users	90%
Whole community	10%

The main beneficiaries of this activity are the tenants, who receive accommodation at below market rent. Their benefits are private and exclusive. While the Council's rental housing units are aimed at meeting needs that the market does not or cannot meet, to some extent these housing units are in competition with properties provided by private landlords.

However, there are some benefits to the community as a whole. By providing homes for people who otherwise may be unable to afford them, the Council also contributes to community cohesion and may have benefits for public health and safety.

Who should pay?	
Individuals/Users	100%

As the main beneficiaries, it is appropriate for tenants to pay all of the costs involved in providing community housing. The Council's current policy is to provide homes at 70 percent of market rent as the starting rental rate. Further subsidies and discounts are applied on top of that. The City Housing activity is ring-fenced with user charges through rent income funding 100% of operating expenses. The opportunity cost of not obtaining market rentals is not included in this funding analysis.

Our funding targets: operating expenses	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%

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Total	100%
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NOTE- following the establishment of a Community Housing Provider this activity will shift from the provision of housing units directly to tenants to the leasing of these units to the Community Housing Provider.

The policy will be updated with the 2024 Long-Term Plan following establishment of the CHP and transfer of management of social housing.

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## Significant forecasting assumptions

Taken from Volume 2: Significant forecasting assumptions page 4

Social housing			
Assumption	<ul style="list-style-type: none"> <li>That the Community Housing Trust will be granted the necessary funding contracts by the Government in order to be able to access IRRS</li> </ul>		
Data	Experiences of other local authorities in the establishment of their community housing trusts and discussions with the government.		
Level of certainty	<b>Moderate</b> – funding secured for first two years through Budget 22 and moderate level of certainty over the longer-term. As well as providing funding for two years, the government has committed to continuing to work with the Council on funding arrangements beyond two years. This two years of funding is for IRRS on a turnover basis for the existing housing stock. Funding is also available, on a permanent basis, for any new supply the CHP builds.		
Key risks	<b>Risk</b> <ul style="list-style-type: none"> <li>If the CHP does not secure the necessary funding contract</li> <li></li> </ul>	<b>Effect of risk</b> <ul style="list-style-type: none"> <li>Financial performance of the CHP could suffer, and the CHP would take longer to reach sustainable level.</li> <li>If the CHP did not secure any funding contract, the CHP would be in the same financial situation as the Council currently. This would mean the council would need to re-examine financial support through council rates and debt. If the CHP received a funding contract on lesser terms that what have been assumed, the council would need to provide some level of rates support to the CHP for a longer time period.</li> </ul>	<b>Mitigation</b> <p>The council continues to work actively with central government to resolve City Housing's financial sustainability.</p> <p>In Budget 22, the government provided initial funding to support the CHP's establishment and first two years and committed to continue working with the Council on funding arrangements beyond two years.</p> <p>The funding arrangements agreed to in Budget are similar to those facing other CHPs, including those put in place in the establishment of OCHT in Christchurch. All CHPs work with government on an ongoing basis to secure their ongoing funding needs.</p> <p>The government was comfortable with the council considering the options in the consultation. The council is sharing information with the government on the nature of the financial support that the CHP requires to be sustainable and about the ongoing work in designing the CHP to ensure it will deliver outcomes for both Council and government.</p>

Social housing			
Assumption	<ul style="list-style-type: none"> <li>That the level of tenant turnover will continue at historical rates resulting in projected increased revenue for the CHP over time from IRRS, and in turn the projected level of improving financial performance. Forecasting assumes the CHP would reach a sustainable position within ten years.</li> </ul>		
Data	Experiences of other local authorities in the establishment of their community housing trusts and historical City Housing tenant turnover data.		
Level of certainty	<b>Moderate</b>		
Key risks	<b>Risk</b>	<b>Effect of risk</b> <ul style="list-style-type: none"> <li>Financial performance of the CHP could suffer and</li> </ul>	<b>Mitigation</b> <p>If the rate at which the CHP received the IRRS was lower than assumed in the</p>



	<ul style="list-style-type: none"> <li>That tenant turnover does not match forecast turnover</li> </ul>	take longer to reach sustainable level than the ten years assumed in the forecasts.	forecast assumptions, the council would need to re-examine financial support through rates and debt funding.
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<b>Social housing</b>			
Assumption	<ul style="list-style-type: none"> <li>That any necessary changes to the City Housing Deed of Grant with the Government will be made to establish Community Housing Provider as planned.</li> </ul>		
Data	Conversations with central government		
Level of certainty	<b>High</b>		
Key risks	<p><i>Risk</i></p> <ul style="list-style-type: none"> <li>That any necessary changes are not made to the Deed of Grant</li> </ul>	<p><i>Effect of risk</i></p> <ul style="list-style-type: none"> <li>The effect of the risk depends on the specific aspect of the Deed that may not be amended. But generally, the effect would be a lack of certainty for the government, council and CHP about roles and responsibilities, and/or some reduced flexibility in the CHP's ability to operate in accordance with its other governing documents (e.g., its Trust Deed)</li> </ul>	<p><i>Mitigation</i></p> <p>The council continues to work actively with central government to resolve City Housing's financial sustainability. Both the council and government have strong shared interests and are looking for constructive and pragmatic solutions.</p> <p>The government is comfortable with the council considering the options in the consultation and understands the council's requirements to consult under the LGA. As part of these conversations, the council and government are considering any implications or necessary changes to the Deed of Grant and working on making necessary changes.</p>

<b>Social housing</b>			
Assumption	<ul style="list-style-type: none"> <li>That the CHP would have its registration approved by the Community Housing Regulatory Authority so that it can operate</li> </ul>		
Data	Conversations with central government and preliminary discussions with the Community Housing Regulatory Authority		
Level of certainty	<b>High</b>		
Key risks	<p><i>Risk</i></p> <ul style="list-style-type: none"> <li>That the CHP does not achieve registration by the Community Housing Regulatory Authority</li> </ul>	<p><i>Effect of risk</i></p> <ul style="list-style-type: none"> <li>The CHP would not be able to operate until it was registered. The council would need to continue to operate the social housing service and meet its costs through rates and borrowing until the CHP was registered.</li> </ul>	<p><i>Mitigation</i></p> <p>The council has begun the process to assess the requirements for registration and work needed to submit an application and will have early conversations with the Community Housing Regulatory Authority to understand the registration process. Understanding the process well and beginning preparatory work early will help ensure a successful application.</p>

<b>Social housing</b>			
Assumption	<ul style="list-style-type: none"> <li>That the CHP will be able to generate new housing supply through access to government subsidies and upfront capitalisation by the council.</li> </ul>		
Data	Conversations with central government and experiences from other local authorities who have established their own CHPs.		
Level of certainty	<b>Moderate</b>		
Key risks	<p><i>Risk</i></p> <ul style="list-style-type: none"> <li>That the CHP is not able to access necessary subsidies for new housing supply and/or that the capitalisation funding from the council is not sufficient to deliver new supply.</li> </ul>	<p><i>Effect of risk</i></p> <ul style="list-style-type: none"> <li>The full benefits of a CHP option would not be realised. The CHP would still result in improved rental affordability for tenants and improved financial sustainability but not new social housing supply</li> </ul>	<p><i>Mitigation</i></p> <p>The council has considered the approaches of other local authorities (particularly Christchurch) in determining how much upfront capital would be necessary to enable the CHP to deliver new housing supply quickly. These lessons have been built into the council's preferred CHP option. The council is also talking to central government to understand what subsidies may be available to the CHP, and their eligibility criteria to inform the process of CHP design and establishment.</p>

## ACTIONS TRACKING

### Kōrero taunaki | Summary of considerations

#### Purpose

1. This report provides an update on the past actions agreed by the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee at its previous meetings.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- |  |   |
|--|---|
| <b>Strategic alignment with priority objective areas from Long-term Plan 2021–2031</b> | <input type="checkbox"/> Sustainable, natural eco city<br><input type="checkbox"/> People friendly, compact, safe and accessible capital city<br><input type="checkbox"/> Innovative, inclusive and creative city<br><input type="checkbox"/> Dynamic and sustainable economy<br><br><input type="checkbox"/> Functioning, resilient and reliable three waters infrastructure<br><input type="checkbox"/> Affordable, resilient and safe place to live<br><input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network<br><input type="checkbox"/> Fit-for-purpose community, creative and cultural spaces<br><input type="checkbox"/> Accelerating zero-carbon and waste-free transition<br><input type="checkbox"/> Strong partnerships with mana whenua |
|--|---|

#### Relevant Previous decisions

Not applicable.

#### Financial considerations

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Nil | <input type="checkbox"/> Budgetary provision in Annual Plan / Long-term Plan | <input type="checkbox"/> Unbudgeted \$X |
|---|--|---|

#### Risk

- |   |                                 |                               |                                  |
|---|---------------------------------|-------------------------------|----------------------------------|
| <input checked="" type="checkbox"/> Low | <input type="checkbox"/> Medium | <input type="checkbox"/> High | <input type="checkbox"/> Extreme |
|---|---------------------------------|-------------------------------|----------------------------------|

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

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## **Taunakitanga | Officers' Recommendations**

Officers recommend the following motion

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

1. Receive the information.

## **Whakarāpopoto | Executive Summary**

2. This report lists the dates of previous committee meetings and the items discussed at those meetings.
3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
  - In progress: Resolutions with this status are currently being implemented.
  - Complete: Clauses which have been completed, either by officers subsequent to the meeting, or by the meeting itself (i.e. by receiving or noting information).
4. All actions will be included in the subsequent monthly updates but completed actions will only appear once.

## **Takenga mai | Background**

5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review were endorsed and agreed to be implemented.
6. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.

## **Kōrerorero | Discussion**

7. Following feedback, the status system has been changed so that resolutions either show as 'in progress' or 'complete'.
8. Of the 58 resolutions of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee in June 2022:
  - 8 are in progress.
  - 50 are complete.
9. 3 in progress actions have been carried forward from the previous (June 2022) action tracking report. 3 are still in progress.
10. Further detail is provided in Attachment One.

## **Attachments**

Attachment 1. [Actions Tracking](#)  

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#	Date	Meeting	Report	Clause	Status	Comment
5	Tuesday, 8 February 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 2022/23 Annual Plan draft plan and budget	6. Agree the preferred approach on the resolution as to whether to include additional budget for Mākara resilience works is to undertake further detailed design work in 2022/23, in order for the works and funding options to be considered as part of the 2023/24 Annual Plan.	In progress	Work will be undertaken in time for the 2023/24 Annual Plan
30	Tuesday, 8 March 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Establishing an Environmental and Accessibility Performance Fund	8. Agree that officers will report back at the next LTP on the uptake of the fund.	In progress	
49	Tuesday, 8 March 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2 2022/23 Annual Plan & LTP Amendment Consultation Document	19. Agree that the Wellington City Council review its membership of any other advocacy groups.	In progress	
71	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	1) Receive the information.	Complete	The committee formally received the information in the relevant report.
72	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	2) Note that the forecast practical completion date for the Town Hall project is now September 2024.	Complete	The information was noted by the committee.
73	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	3) Note that the forecast cost to complete the Town Hall project has increased to \$182.4m.	Complete	The information was noted by the committee.
74	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	4) Note that the forecast cost is our best estimate at this time and project completion remains subject to a range of risks.	Complete	The information was noted by the committee.
75	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	5) Note that a contingency of \$24.3m was agreed at Council on 27 February 2019 which was held outside the project budget, \$12.3m of this was added to the project budget in the current financial year, the balance of \$12m now needs to be added to the project budget for future years.	Complete	The information was noted by the committee.
76	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	6) Note that the current funding included in the Annual Plan for this centrally held contingency balance is \$10.3m (Activity 2117 – Unscheduled Infrastructure Renewals).	Complete	The information was noted by the committee.
77	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.1 Town Hall Development Update	7) Recommend to Council to increase the capex budget for the Town Hall project to \$182.4m through the following detailed budget adjustments: a. Move existing contingency balance of \$10.3m (Activity 2117) in 2022/23 to the Town Hall Project (Activity 2076) in 2023/24, b. Increase the above by \$1.7m to represent the full balance of the agreed contingency in the budget, c. Increase the Town Hall project budget by the addition project budget requirement of \$37.1m, \$24m in 2023/24 and \$13.1m in 2024/25.	In progress	This is due to be recommended to Te Kaunihera o Pōneke   Council on 30 June 2022.
78	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2 2022/23 Annual Plan and LTP amendment deliberation	1) Receive the information.	Complete	The committee formally received the information in the relevant report.
79	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2 2022/23 Annual Plan and LTP amendment deliberation	2. Note a full community feedback report on the City Housing options presented through consultation as summarised in Attachment One;	Complete	The information was noted by the committee.
80	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2 2022/23 Annual Plan and LTP amendment deliberation	3. Agree the LTP amendment preferred City Housing option- Leasehold Community Housing Provider with broad responsibilities to be the basis of the LTP amendment for adoption on 30 June;	Complete	

#	Date	Meeting	Report	Clause	Status	Comment
81	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	4. Note that, subject to adoption of the LTP amendment by the Council on 30 June 2022, the transition plan for the CHP's establishment would likely proceed in three stages, with more detail to be provided by Officers in August 2022: • Stage 1: Council led – July 2022 to February 2023; • Stage 2: Joint Council and Community Housing Partnership led – February to July 2023; and • Stage 3: Transition to new BAU arrangements – July 2023 onwards	Complete	The information was noted by the committee.
82	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	5. Agree that, as a first step to implementing the LTP amendment Pūroro Rangaranga   Social Cultural and Economic Committee will make decisions on the following details in August 2022: • CHP's purpose and operational scope • Support for existing tenants who transfer to the CHP • Details of the Trust Board • Relevant registrations the CHP must maintain (e.g. registering as a charity) • Relevant provisions for assets if the Trust is wound up • How major maintenance responsibility is transferred to the CHP over time • Key details of the lease agreement (e.g. lease term, lease payment to council) • CHP transition and establishment plan.	In progress	Scheduled for PR SCEC in August 2022
83	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	6. Note advice on support for existing tenants will include options on funding, given this is not included in the LTP amendment costs.	Complete	The information was noted by the committee.
84	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	7. Note the government has provided initial funding for 380 income-related rent subsidised (IRRS) places over two years, to support the establishment of a CHP and a commitment to continue to work with the Council on longer-term funding arrangements.	Complete	The information was noted by the committee.
85	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	8. Agree that Officers prepare the City Housing LTP amendment document (including associated activity statements, budgets, financial statements, funding impact statements, policies, and plans) for external audit and a 30 June adoption; and	Complete	
86	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	9. Note that the proposed City Housing amendment document will be audited by the Council's external auditors - Audit New Zealand.	Complete	The information was noted by the committee.
87	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	10. Note a full community feedback report on the Southern Landfill options presented through consultation as summarised in Attachment One;	Complete	The information was noted by the committee.
88	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11. Agree the LTP amendment preferred option on the future of Southern Landfill - new landfill on top of existing landfill (piggyback option).	Complete	
89	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11A. Agree that it is this Council's intention that the piggyback landfill extension will be the final landfill extension.	Complete	

#	Date	Meeting	Report	Clause	Status	Comment
90	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11B. Note that the landfill extension Piggyback Option will work in parallel with an increased commitment to waste minimisation given effect by a Zero Waste programme that includes the sludge minimisation project, and the renewed Wellington Region Waste Management and Minimisation Plan, to be in place by 2023.	Complete	The information was noted by the committee.
91	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11C. Note that to support the Council desire for the Piggyback Option to be the final extension to the Southern Landfill, waste minimisation initiatives will be prioritised so that landfill use is the final option, prolonging the useful life of the landfill extension as much as possible.	Complete	The information was noted by the committee.
92	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11D. Note plans to investigate and determine suitable alternatives for any residual waste will be undertaken well in advance of the landfill reaching capacity. This will include working in collaboration with other councils to review regional landfill capacity as per the current WMMP and, if necessary, to identify alternative landfill sites.	Complete	The information was noted by the committee.
93	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	11E. Note that council officers will continue to work with community representatives on the design of the landfill extension Piggyback Option prior to the resource consent application.	Complete	The information was noted by the committee.
94	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	12. Note community feedback on the draft Annual Plan as summarised in Attachment One;	Complete	The information was noted by the committee.
95	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	13. Note the road encroachment licence/lease fee consultation analysis and alternative option is in Attachment Three;	Complete	The information was noted by the committee.
96	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	14. Agree that the road encroachment fees will be increased by one-third in 2022 to \$17.77/m <sup>2</sup> ;	Complete	
97	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	15. Agree that the consideration of further fee increases (in addition to CPI) will be subject to the completion of the work specified in recommendations 17-20 below.	Complete	
98	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	16. Agree that quarterly payment arrangement is made available to road encroachment licence/lease fee payers;	In progress	
99	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	17. Note that officers will investigate options to recognise different values represented by different encroachments as well as looking at the policy purpose behind encroachments and how that might link in better with other Council strategic priorities.	Complete	The information was noted by the committee.
100	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	18. Note that officers will investigate whether the licence/lease terms and conditions should be reviewed to better support encroachments licence/lease holders;	Complete	The information was noted by the committee.
101	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	19. Note that officers will undertake further work to streamline the road stopping and sale process to support more sale of unformed road if appropriate;	Complete	The information was noted by the committee.

#	Date	Meeting	Report	Clause	Status	Comment
102	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	20. Note that officers will investigate a different valuation process for encroachment fees based on adjacent rateable land values and also consider whether the additional benefits from road encroachments are captured in the existing rating values;	Complete	The information was noted by the committee.
103	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	21. Agree the Environmental and Accessibility Performance Fund parameters, funding cap and criteria set out in Attachment Four;	Complete	
104	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	22. Note that as agreed on 8 March 2022, this fund replaces the existing Green Building Remission in the Development Contributions policy (apart from existing Remission applications that have been approved at 30 June 2022); and	Complete	The information was noted by the committee.
105	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	23A. Agree that officers continue to work with Circa Theatre on their proposal, including actively supporting their application for lotteries grant funding.	In progress	
106	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	23C. Agree to set aside \$50K funding in the 2022/23 year for the development of a business case/feasibility study to support Circa Theatre, following further work and discussions between Officers and Circa Theatre on the proposal. A report will come to committee to consider the lease, landowner approvals and partnership funding in 2022/23 with an update on progress to Councillors this calendar year.	In progress	
107	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	24. Agree to fund the Toimata Foundation Enviroschools programme an additional \$90k annually for three years to be funded through waste disposal levy money. This is in addition to the \$70kpa funding recommended by the 24 May 2022 Kāwai Māhira   Grants Subcommittee through multi-year contract funding through the Natural Environment Fund and the Social and Recreation Fund.	In progress	
108	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	25. Agree to fund Capital BMX \$50k of funding for track resurfacing, development and maintenance in 2022/23 and \$25k of funding in 2023/24 and 2024/25 for ongoing development and maintenance of the facility.	In progress	
109	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	26. Note the impact of infrastructure asset revaluations on three waters depreciation expenses and the potential impact on 2022/23 operating expenses and rates	Complete	The information was noted by the committee.
110	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	27. Agree to rates fund the three waters depreciation expense based on the quantum of the three waters renewals capital programme in 2022/23 and 2023/24 in order to ensure three waters renewals remain fully funded while mitigating the impact of depreciation expense on 2022/23 rates;	Complete	
111	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	28. Note that the changed approach to funding for depreciation would result in operating expenditure exceeding operating revenue budget in 2022/23 and 2023/24;	Complete	The information was noted by the committee.



#	Date	Meeting	Report	Clause	Status	Comment
112	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	29. Note that under this approach, Council will have balanced budget in 2028/29 and considers this approach is financially prudent for the reasons outlined in the report in paragraphs 83 to 91;	Complete	The information was noted by the committee.
113	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	30. Note the financial risk associated with a changed approach to three waters depreciation funding, should three waters reform not progress as currently indicated and that this risk would need to be addressed through the 2024 Long-Term Plan;	Complete	The information was noted by the committee.
114	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	31. Agree to increase WWL OPEX budget for the relevant activities by a total of \$9.64m over the next two years - \$4.64m for the 2022/23 and \$5.01m for the 2023/24 as recommended by Pūroro Āmua   Planning and Environment. The additional OPEX was required to address a shortfall in forecast reactive maintenance costs relative to WWL's LTP budget for reactive maintenance;	Complete	
115	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	32. Agree to rescind the resolution of the 12 May 2022 Pūroro Āmua   Planning and Environment Committee that officers pursue an application to fund relevant operational costs relating to three waters out of the Government's Three Waters Reform support package ("Better off Funding") available to Wellington City Council;	Complete	The information was noted by the committee.
116	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	33. Agree to rates fund the additional three waters operating costs, noting that rates funding these costs will reduce the level of financial risk the Council is exposed to and, with other budget changes, is now affordable within an overall average 8.0 percent rates increase;	Complete	
117	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	34. Agree a further \$5.64m of capital funding to be budgeted towards the new skate park at Kilbirnie Park, for year 2023/24 and 2024/25 as recommended by the Social, Cultural and Economic Committee;	Complete	
118	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	35. Agree to the inclusion of a budget of \$1.5m in 2022/23 to remove, upgrade, or develop the building and grounds of the former NWBC site for community use as agreed by the Social, Cultural and Economic Committee;	Complete	
119	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	36. Agree changes to Waste fees: • User charges for rubbish bags are increased an additional 5.6c per bag due to rising production and distribution costs, and • The price for disposal of contaminated soil is proposed to increase by \$30 per tonne (\$34.50 incl. GST) due a new class of waste levy that comes into effect on in the 2022/23 financial year.	Complete	
120	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	37. Agree that the 2022/23 budget for adoption on 30 June is prepared based on an updated commercial differential calculated so that commercial and residential ratepayers continue to pay the same proportional share of rates as was set in the 2021-31 Long-Term Plan;	Complete	

#	Date	Meeting	Report	Clause	Status	Comment
121	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	38. Direct officers to complete a comprehensive review of the 'Rating Policy', and the 'Revenue and Financing Policy' in time for the 2024-34 Long-term Plan;	In Progress	
122	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	39. Agree the remainder draft 2022/23 Annual Plan operating and capital budget (including rate increase) outlined in Attachment Six, Seven and Eight;	Complete	
123	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	40. Note that the recommendations of this report result in a proposed rates increase of 8.0 percent in 2022/23, and that any changes to the officer recommendations may have a resulting impact on the projected rates increase which will be confirmed in the finalisation of the budget for adoption on 30 June;	Complete	The information was noted by the committee.
124	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	41. Note the draft 2022/23 Annual Plan document (Attachment Five) for Councillor review and feedback (excluding Financial Sections of the report which will be prepared to reflect any changes agreed at this meeting of the Committee)	Complete	
125	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	42. Agree that Officers prepare the 2022/23 Annual Plan (including associated activity statements, budgets, financial statements, funding impact statements and plans) to reflect any changes agreed at this meeting of the Committee;	Complete	
126	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	43. Delegate to the Chief Executive Officer the authority to work with Audit NZ and make editorial changes that may arise as part of preparing the City Housing LTP amendment for Council adoption on 30 June 2022.	Complete	
127	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	2.3 Forward Programme	Complete	The committee formally received the information in the relevant report.
128	Wednesday, 1 June 2022	Pūroro Maherehere   Annual Plan/Long-term Committee	2.2022/23 Annual Plan and LTP amendment deliberation	2.4 Actions Tracking	Complete	The committee formally received the information in the relevant report.