

Thursday, 07 April 2022

Finance and Performance Committee
Wellington City Council

WCCL QUARTERLY REPORT (FY 2021-22 Q3)

Dear Councillors Calvert and Foon,

Below you will find a summary of Q3 performance for Wellington Cable Car Limited (WCCL). It is divided into 5 sections;

1. WCCL Q3 results compared to SOI targets
2. Operating performance summary
3. CAPEX - Middle Tunnel Upper Portal Seismic Strengthening
4. Key initiatives this quarter
5. Looking ahead

1. WCCL Q3 results compared to SOI targets

The table below shows summarises key re-forecasted SOI parameters for Revenue, Passenger Numbers and Reliability targets.

Wellington Cable Car - FY 2021-22 Q3 Results



Revenue	Jan-22	Feb-22	Mar-22	Q3 Total
SOI Target	\$ 100,030	\$ 70,327	\$ 62,618	\$ 232,975
Actual	\$ 174,752	\$ 98,754	\$ 109,127	\$ 382,633
FY 21-22 Q3 Variance (Rev)	\$ 74,722	\$ 28,427	\$ 46,509	\$ 149,658
FY 21-22 Q3 Variance (%)	74.7%	40.4%	74.3%	64.2%

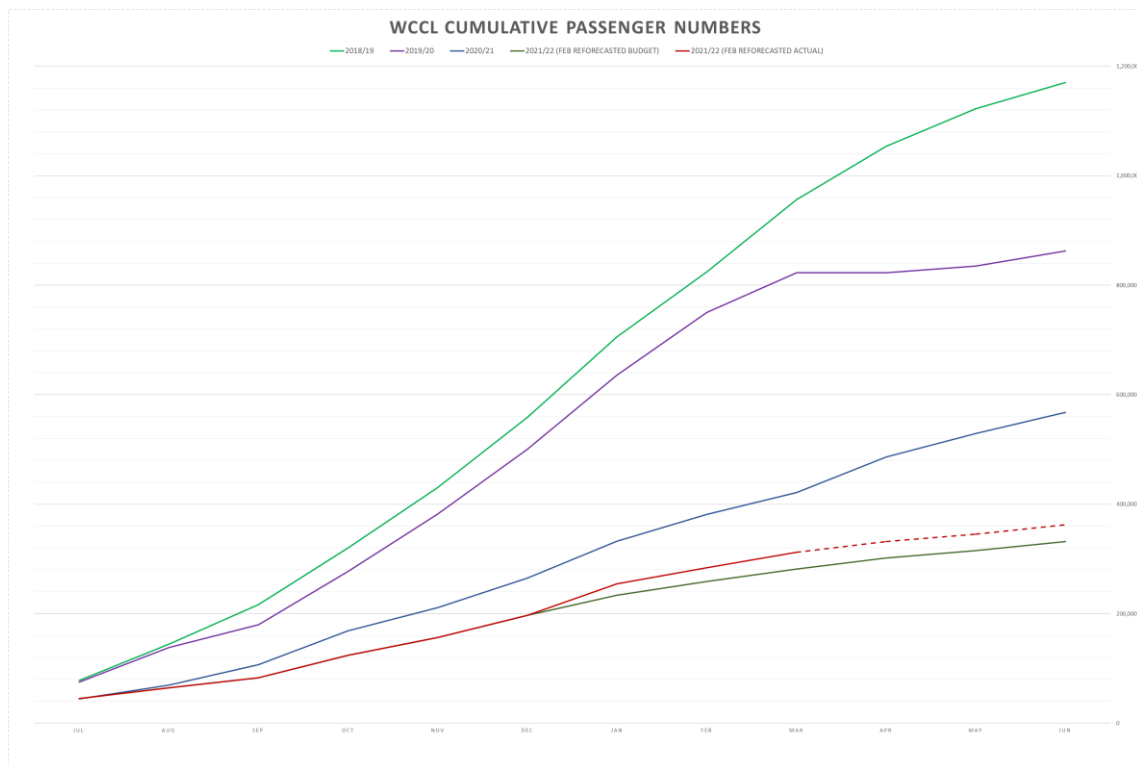
Passenger Numbers	Jan-22	Feb-22	Mar-22	Q3 Total
SOI Target	36,600	25,453	22,560	84,613
Actual	57,682	29,079	28,179	114,940
FY 21-22 Q3 Variance (Pax)	21,082	3,626	5,619	30,327
FY 21-22 Q3 Variance (%)	57.6%	14.2%	24.9%	35.8%

Reliability	Jan-22	Feb-22	Mar-22	Q3 Total
SOI Target	99.00%	99.00%	99.00%	99.00%
Actual	100.00%	99.95%	100.00%	99.98%
FY 21-22 Q3 Variance	1.00%	0.95%	1.00%	0.98%



2. Operating performance summary

- At the end of Q2, WCCL re-forecast its visitation and revenue to better align with environmental and business conditions. The full-year revenue passenger number re-forecast was 331k, from an original budget of 602k.
- Q3 saw strong visitation, exceeding reforecasted estimates by 30k passengers to 115k
- The additional visitation coupled with other initiatives positively impacted revenue which was up on reforecast for Q3 by \$150k (64%).
- YTD cash losses have been funded through a reallocation of asset replacement funds, as per budget.
- Protestors at Parliament reduced footfall traffic in the central city, impacting weekend business
- WCCL exceeded its reliability targets for Q3 with only one missed trip for the quarter
- The graph illustrates Actual passenger numbers from FY 2018-2021, FY 2021-22 re-forecast and actual numbers.



3. CAPEX - Middle Tunnel Upper Portal Seismic Strengthening

- RFT has been completed. 2 interested parties with one tender received
- Tender evaluation completed and recommendation going to WCCL to award contract on the 19th April 2022
- Current methodology proposes to see contractors take possession of the site at the beginning of May and anticipate completing work by end of November
- Currently working through required approval to obtain a building consent



4. Highlights and Key Initiatives

120th Birthday celebrations

- On 22nd February, WCCL celebrated 120 years of service to Wellington
- Unveiled a historical panel at Lambton Quay celebrating 120 years of service
- Launched golden ticket promotion where 120 Golden tickets with more than \$6,000 in prizes from partners



Nga Mema Tanga | Cable Car Memberships

- A new product targeted at local commuters offering unlimited rides on the Cable Car for of three months
- For the average commuter who uses the Cable Car 3 return trips per week, each trip costs them \$1.81 (Compared to the \$5.00 one way journey) Close to 65% discount on rack rates
- Since its launch on our birthday, 75 Memberships were sold in the first month representing 5400 trips on the Cable Car

NGĀ MEMA TANGA | CABLE CAR MEMBERSHIPS E toru ngā marama | 3 months validity

Our newly launched Cable Car Memberships allow the pass holder unlimited rides on The Cable Car for 3-months from the date of purchase. The perfect pass for enthusiastic Wellingtonians

PASSENGER	COST	\$ PER TRIP
Pakeke Adult	\$ 130	\$ 1.81
Pia Student	\$ 84	\$ 1.17
Tamariki Child	\$ 66	\$ 0.92

*\$ per trip prices are based on average 3 return trips being used per week

Wellington Cable Car Bird Strike Prevention programme

- A joint initiative between WCCL and the not-for-profit Urban Wildlife Trust.
- This initiative directly supports the amazing conservation work that is taking place in Wellington
- The excess decals we donated to the Botanical Gardens and were used to cover the Leonard Cockayne Centre



5. Looking ahead

- Visitation
 - Work to welcome visitors, international visitors, back to Wellington and the Cable Car
 - Reactivating sales channels, especially in Australia
- Matariki
 - Working on possible activations and events to celebrate the event
- Annual Maintenance Shutdown (AMS)
 - AMS is taking place from 1st August for between 10-14 days.
 - The works will run parallel to the tunnel strengthening project
- Middle Tunnel Upper Portal Seismic Strengthening
 - Award contract for Middle Tunnel Upper Portal Seismic Strengthening
 - Obtain building consent for the project
 - Start works
- EKOS Carbon Zero
 - WCCL is working on its carbon accounting to achieve Carbon Zero status for FY 21-22
- WCCL HQ office relocation
 - Due to rent escalation, WCCL will vacate its HQ office on Lambton Quay in the middle of June
 - Working together with CCO whanau, we will move to a temporary home at Space Place

Cesar Piotto



WCCL Chief Executive

