

Tuesday, 19 July 2022

Finance and Performance Committee
Wellington City Council

WCCL QUARTERLY REPORT (FY 2021-22 Q4)

Dear Councillors Calvert and Foon,

Below you will find a summary of Q4 performance for Wellington Cable Car Limited (WCCL). It is divided into 5 sections;

1. WCCL Q4 results compared to SOI targets
2. Operating performance summary
3. CAPEX - Middle Tunnel Upper Portal Seismic Strengthening
4. Highlights and Key Initiatives for Q4
5. Looking ahead to FY 2022-23 Q1

1. WCCL Q4 results compared to SOI targets

- Q4 saw strong visitation, especially in April where we were blessed with great weather for both Easter and April school holidays. This strong visitation continued through May where passenger numbers exceeded SOI budget by more than 10k passengers.
- Revenue was up 7.2% on target for the quarter, and passenger numbers were up 3.8% on target.
- Fare revenue for the full year was \$1,297k, versus budgeted revenue of \$1,838k. This correlates to the Passenger numbers being under budget for the year by 154k passengers.
- YTD cash losses have been funded through a reallocation of asset replacement funds, as per budget.
- WCCL exceeded its reliability targets for Q4

Wellington Cable Car - FY 2021-22 Q4 Results



Revenue	Apr-22	May-22	Jun-22	Q4 Total
SOI Target	\$ 164,462	\$ 99,007	\$ 143,748	\$ 407,217
Actual	\$ 161,393	\$ 140,779	\$ 134,228	\$ 436,399
FY 21-22 Q4 Variance (Rev)	\$ (3,069)	\$ 41,772	\$ (9,520)	\$ 29,182
FY 21-22 Q4 Variance (%)	-1.9%	42.2%	-6.6%	7.2%

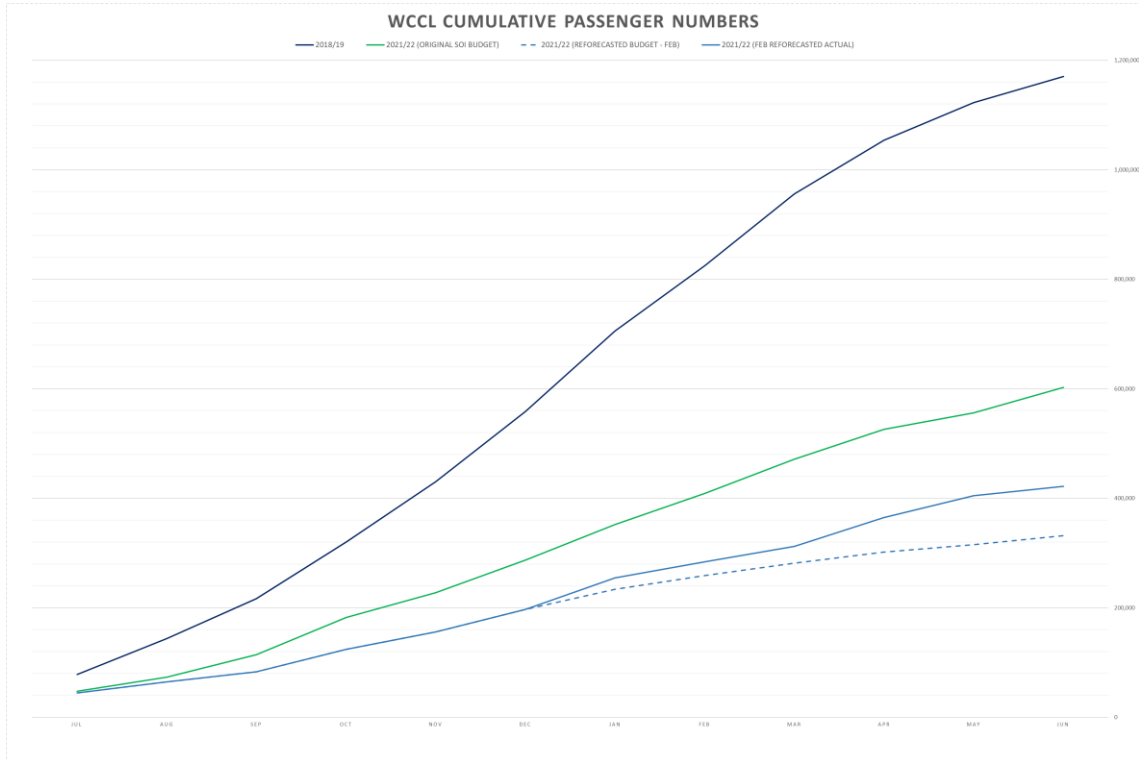
Passenger Numbers	Apr-22	May-22	Jun-22	Q4 Total
SOI Target	54,825	30,031	46,475	131,331
Actual	52,751	40,284	43,343	136,378
FY 21-22 Q4 Variance (Pax)	-2,074	10,253	-3,132	5,047
FY 21-22 Q4 Variance (%)	-3.8%	34.1%	-6.7%	3.8%

Reliability	Apr-22	May-22	Jun-22	Q4 Total
SOI Target	99.00%	99.00%	99.00%	99.00%
Actual	99.95%	99.86%	99.80%	99.95%
FY 21-22 Q4 Variance	0.95%	0.86%	0.80%	0.95%



2. Operating performance summary

- Visitation for FY 2021-22 was 448k, 154k (-26%) behind SOI budget and 119k (-21%) behind FY 2020-21 actuals
- The graph illustrates Actual passenger numbers from FY 2018-2021, FY 2021-22 SOI, re-forecast and actual numbers.



3. CAPEX - Middle Tunnel Upper Portal Seismic Strengthening

- WCCL has encountered several delays in obtaining the appropriate permissions / agreements from neighbouring land owners which has delayed the start of the project by close to two months
- Additional costs have been incurred in securing these permissions which have reduced headroom
- The current methodology proposes to see contractors take possession of the site at the beginning of August and anticipated completing work by end of February 2023



4. Highlights and Key Initiatives for Q4

Matariki

- On June 24th, to celebrate Matariki and in an effort to support WCC activations, the Cable Car extended its opening hours to allow Wellingtonians to watch the fireworks for the Kelburn Terminal and travel back into town
- We enjoyed a full house at the lookout, which included the PM and her family



Working With The Diplomatic Community

- Worked with the EU embassy to host a concert at the Lambton Quay terminal to celebrate EU day
- With support from the EU embassy, we extended free Cable Car trip to all Ukranian and Polish citizens



NZ music month concerts

- Our very own Ainslee Smithers played several concerts on the Cable Car during NZ Music month
- A member of the NZ National Youth Orchestra and Wellington Youth Orchestra, Ainslee delighted commuters during their daily commute



Collaboration with Tourism NZ and Kate, Tim and Joel from Australia

- Hosted Kate, Time and Joel from NOVA radio as part of Tourism NZ campaign
- <https://fb.watch/elzj-TBe1x/>



Nga Mema Tanga | Cable Car Memberships

- Memberships offer locals unlimited rides on the Cable Car for 3 months
- This offers a one-way price of \$1.81, which is a 65% discount off rack rates
- To date, we have sold over 200 memberships, representing nearly 15k trips, with several renewals already being purchased
- This has proven to be an outstanding success for the Cable Car and the community we support

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

5. Looking ahead to FY 2022-23 Q1

- Visitation
 - Work to welcome international visitors, including the first Cruise Ship visitors to Whanganui-a-Tara
- Annual Maintenance Shutdown (AMS)
 - AMS is taking place from 1 - 11th August, with service reopening to the public at 7.30am on Friday 12th August 2022
 - A replacement bus service will not be in place during the shutdown
 - During the 11-day shut down, we will complete Annual Maintenance on the Cable Car and associated safety systems and start working on critical path elements on the Upper Portal Seismic Strengthening project
- Middle Tunnel Upper Portal Seismic Strengthening
 - Start work and complete all elements which require the Cable Car to be stationary
- EKOS Carbon Zero
 - WCCL is working on its carbon accounting to achieve Carbon Zero status for FY 21-22

Cesar Piotto

WCCL Chief Executive

