
**ORDINARY MEETING
OF
PŪRORO WAIHANGA | INFRASTRUCTURE COMMITTEE
AGENDA**

Time: 9:30am
Date: Wednesday, 27 April 2022
Venue: Ngake (16.09)
Level 16, Tahiwī
113 The Terrace
Wellington

MEMBERSHIP

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

AREA OF FOCUS

The Pūroro Waihanga | Infrastructure Committee has the following responsibilities:

- Council Infrastructure and infrastructure strategy, including:
 - Transport
 - Waste
 - Water (three waters)
 - Council property (buildings)
 - Relationships with other non-council infrastructure.
- The Road Corridor
- 30-year infrastructure strategy
- Asset management plans
- Capital Works Programme Delivery, including CCO's and Wellington Water Limited
- capital works programmes
- Three waters reform.

The Committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

TABLE OF CONTENTS
27 APRIL 2022

Business	Page No.
1. Meeting Conduct	5
1.1 Karakia	5
1.2 Apologies	5
1.3 Conflict of Interest Declarations	5
1.4 Confirmation of Minutes	5
1.5 Items not on the Agenda	5
1.6 Public Participation	6

2. Petitions	7
2.1 Install a signalised crossing system at the Raroa Park/Onslow College pedestrian crossing	7
3. General Business	11
3.1 Land Disposal (Isolation Strips) - Hanson Street Service Lane, Mount Cook	11
3.2 Priority Investment Quarterly Report	21
3.3 Three Waters Reform Update	37
3.4 Wellington Water Limited Statement of Intent	45
3.5 Para Kai Miramar Food Diversion Trial	105
3.6 'Transforming Recycling - Submission to Manatū Mō Te Taiao - Ministry for the Environment	131
3.7 Forward Programme	171
3.8 Actions Tracking	173

1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

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

At the appropriate time, the following karakia will be read to close the meeting.

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

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 23 March 2022 will be put to the Pūroro Waihanga | Infrastructure 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 Waihanga | Infrastructure 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 Waihanga | Infrastructure Committee.

Minor Matters relating to the General Business of the Pūroro Waihanga | Infrastructure 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 Waihanga | Infrastructure 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, 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.

2. Petitions

INSTALL A SIGNALISED CROSSING SYSTEM AT THE RAROA PARK/ONslow COLLEGE PEDESTRIAN CROSSING

Summary

Primary Petitioner: Amanda Barber
Total Signatures: 34

Presented by: Amanda Barber

Recommendation

That the Pūroro Waihanga | Infrastructure Committee:

1. Receive the information.

Background

1. Wellington City Council operates a system of petitions whereby people can conveniently and electronically petition the Council on matters related to Council business.2.Amanda Barber opened a petition on the Wellington City Council website on 24 November 2021. The petition closed on 24 January 2022.
3. The petition details are as follows:
We the undersigned want a signalised traffic light/crossing system put in place at the Raroa/Onslow College pedestrian crossing to allow for a constant but controlled flow of students and traffic.
4. The background information provided for the petition was:
The pedestrian crossing at Raroa Park/Onslow College is problematic and has been so for years. Every morning from 8:20am to 8:45am, and again in the afternoon from 3:10pm until 3:30pm, is a constant flow of students going to school and then coming from school. This creates a massive gridlock of traffic going both directions, for several hundred metres every day, but more so in the morning.
5. The petition closed on 24 January 2022 with 34 authenticated signatures. The list of authenticated signatures will be provided by Democracy Services.

Officers' response

6. Thank you for your submission and petition for Signalised Crossing at the current Pedestrian Crossing for Raroa Park/Onslow College. We understand the concerns you have for this area.
7. We use a prioritisation framework to ensure a consistent, evidence-based approach to all customer enquiries and projects to prioritise the sites with the greatest safety and operational problems.
8. The process of prioritisation starts with collating all proposed projects and ranking them based on their safety and operational issues. This involves assessing crash data, speed counts, pedestrian counts, and the surrounding environment.
9. Reviewing these requests and implementing these schemes, if they meet the guidelines requires funding approval via a business case process.
10. The 2022/23 prioritisation exercise will be complete by the end of May 2022, however as this issue has been raised previously, we are already aware of several factors which will be considered as part of exercise.
11. The estimated cost for installing signals at this location is approximately \$150,000-\$200,000.
12. Installing signals would only reduce congestion during the before and after-school peaks of 10-15 minutes around 9am and 3pm on weekdays.
13. In addition, the scope for reducing congestion is limited, due to the proximity of the pedestrian crossings near the roundabout around 300 metres further down the road.
14. The 10-15 minute delays around 9am and 3pm on weekdays are similar to those experienced around other schools at this time of the day.
15. The petitioner will be advised of the outcome of the prioritisation work in June 2022.

Attachments

Attachment 1. Petition Signatory List 

Authors	Zackary Moodie, T/L Transport Engineering Dennis Davis, Principal Transport Engineer Rebecca Adams, Chief Advisor to CIO
Authoriser	Soon Teck Kong, Transport Engineering and Operations Manager Siobhan Procter, Chief Infrastructure Officer

SUPPORTING INFORMATION

Engagement and Consultation

Council officers have approached the College several times to engage with the Onslow College to discuss this situation. In July 2020 we contacted the school to suggest operating a school warden at the pedestrian crossing to allow vehicles to pass through at regular intervals. Onslow College did not make a permanent arrangement; however, on occasion staff are seen managing the crossing.

We have also engaged with Raroa Normal Intermediate School to share the same concerns of the community as expressed to us, and likewise to offer assistance with setting up a school warden programme. To date this offer has not been taken up by either institution.

Treaty of Waitangi considerations

N/A

Financial implications

No current financial implications, as prioritisation process is underway.

Policy and legislative implications

N/A

Risks / legal

N/A

Climate Change impact and considerations

N/A

Communications Plan

N/A

Health and Safety Impact considered

Health and safety considerations are taken into account in our prioritisation process.

Signatory Details

Name	Suburb	City
Angeline O'Grady	Ngaio	Wellington
Steve William Walsh	CBD	Wellington
Bernard O'Shaughnessy	Miramar	Wellington
Nicholas Warmke	WELLINGTON	WELLINGTON
Paula Carryer	Wellington	Wellington
Rachel Brant	Crofton Downs	Wellington
Janet Mounsey-Smith	Khandallah	Wellington
Kate Manttan	Khandallah	WELLINGTON
Neil Mora	Crofton Downs	Wellington
Elizabeth Gasson	Ngaio	Wellington
Ruth Jolliff	Ngaio	Wellington
Wendy Harris	Northland	Wellington
Annemieke De Wit	Johnsonville	Wellington
Katharina Strambach	Johnsonville	Wellington
Lisa Woodley	Johnsonville	Wellington
William Simmers	Johnsonville	Wellington
Rebecca Jackson	Ngaio	Wellington
Richelle Kench	Khandallah	Wellington
Rachel Langford	Khandallah	Wellington.
Vanessa Patel	Broadmeadows	Wellington
Emma Marriott	Ngaio	Wellington
Philip Reeve	Ngaio	Wellington
Sarah Henty	Ngaio	Wellington
Kat Clemas	Ngaio	Wellington
Wendy Fairbrother	Ngaio	Wellington
Tanya Carr-Smith	Johnsonville	Wellington
Ann-Marie Whittome	Broadmeadows	Wellington
Egginson Ann	Khandallah	Wellington
Louise Carr-Smith	Johnsonville	Wellington
Shelly Cooper	Ngaio	Wellington
Fi Ireland	Broadmeadows	Wellington
Sam Somers	khandallah	khandallah
Sam Walker	Khandallah	Wellington
Amanda Barber	Wellington	Wellington

3. General Business

LAND DISPOSAL (ISOLATION STRIPS) - HANSON STREET SERVICE LANE, MOUNT COOK

Kōrero taunaki | Summary of considerations

Purpose

1. This report asks the Pūroro Waihanga | Infrastructure Committee to recommend to Council that it approves the disposal of approximately 7.24m² of fee simple land (subject to survey) in the Hanson Street service lane (the *Land*) to the adjoining owner at 25 Hanson Street.

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

N/A

Significance

The decision is **rated low 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. All costs related to the proposed disposal will be met by the purchaser.

Risk

- Low Medium High Extreme

3. The proposal affects a limited number of individuals to a low degree, so is considered to have little public interest.

Authors	Paul Davidson, Senior Property Advisor Neil Johnstone, Senior Transport Engineer-Planning
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Authoriser	John Vriens, Property Advisory Manager Brad Singh, Transport and Infrastructure Manager Siobhan Procter, Chief Infrastructure Officer
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Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Waihanga | Infrastructure Committee:

- 1) Receive the information
- 2) Recommend to Council that it:
 - a. Declare that an approximately 7.24m² (subject to survey) part of fee simple land adjoining the Hanson Street service lane and being Lot 3 DP 67283, ROT WN36C/236 and *part of* Part Lot 1 DP 8308, ROT WN379/283 (the Land) is not required for a public work and is surplus to operational requirements.
 - b. Agree to dispose of the Land to the adjoining owner of 25 Hanson Street (Lot 1 DP 358660, ROT 238839), for amalgamation with that property.
 - c. Delegate to the Chief Executive Officer the power to conclude all matters in relation to the disposal of the Land, including all legislative matters, issuing relevant public notices, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.
 - d. Note that the Land comprises isolation strips that are only 400 millimetres wide and would only be appropriately sold to the adjoining owner.

Whakarāpopoto | Executive Summary

4. The property at 25 Hanson Street, Mount Cook, is privately owned and immediately adjoins the Hanson Street service lane to the south but does not have legal road access to the service lane as it is legally separated by Council owned fee simple land (the isolation strips). Their current legal access is from the Drummond Street service lane to the north. Refer to Attachment 1 for a location plan.
5. The owner of 25 Hanson Street proposes a multi-unit re-development which needs to utilise the existing foundations built into part of the Council's isolation strips. Given these circumstances and the need for legal access to the Hanson Street service lane it is proposed that the Land be declared surplus and sold to the adjoining owner of 25 Hanson Street.
6. Officers have entered into an Agreement with the adjoining owner, subject to Council approval to transfer the approximate 7.24m² of isolation strip land (the Land) at current market value. Refer to Attachment 2 showing the Land proposed to be sold shaded yellow.

Takenga mai | Background

7. Council owns a fee simple title to an isolation strip between the Hanson Street service lane and 25 Hanson Street, Mt Cook, part of which the owners of 25 Hanson Street seek to purchase, being approximately 7.24m² (the Land), subject to final survey. Refer to Attachments 1 and 2 for the location plan and a diagram of the Land.

8. The Land is legally described as Lot 3 DP 67283 on ROT WN36C/236 and part of Part Lot 1 DP 8308 on ROT WN379/283.
9. The owners of 25 Hanson Street are planning a new multi-storey twelve-unit development. To facilitate this they need to obtain legal access to the Hanson Street service lane to the south.
10. Part of the existing 25 Hanson Street building foundation is situated on part of the isolation strips and needs to be incorporated into the redevelopment and so it is proposed to sell the Land required to 25 Hanson Street.
11. See Attachments 3 and 4 for views at street level and a site plan.
12. When Council creates or improves a service lane, the owners of adjoining properties benefiting from that work need to contribute towards costs to the extent of the financial benefit to their property (betterment) from creation of a new service lane.
13. If any owners don't contribute towards costs of a new service lane and/or don't want to access it, then isolation strips are created so that their property does not have legal access to that service lane. If any current or future owners change their position then the isolation strips can be removed, by legalising them as road or by sale and transfer.

Kōrerorero | Discussion

14. The 25 Hanson Street's redevelopment plans are well advanced and in December 2021 a resource consent (SR#500490) was granted for the proposed redevelopment.
15. Officers have entered into a sale Agreement with the owners of 25 Hanson Street to subdivide and transfer the Land at current market value, subject to formal Council approval. The owner will pay all the subdivision, legal and of the other costs associated with this transaction.
16. Before the Land is disposed of, it must be declared surplus to Council's operational requirements. The Public Works Act 1981 (PWA) dictates the disposal process.
17. Under section 40 of the PWA the Council 'shall endeavour' to dispose of land not required for the public work for which it was taken or held, and which is not required for any other public work.
18. If the Land is declared surplus, officers would then confirm whether there were any obligations under s40 of the PWA requiring Council to offer the Land back to the former owner, or their successor in title.
19. Preliminary investigations indicate that an exemption to offer back exists.

Kōwhiringa | Options

20. If the Land is not declared surplus and sold, then the isolation strip will remain in Council ownership without receiving any betterment revenue. The owners of 25 Hanson Street will not have legal access to the service lane and Hanson St and would need to revise their redevelopment plans.
21. Council officers recommend the land disposal as it will enable access and increase re-development opportunity for 25 Hanson Street that otherwise would not be possible.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

22. This proposed disposal will have no impact on the Long-Term Plan.
23. In line with Council's financial principles, assets that are declared surplus to strategic or operational requirements are sold.

Engagement and Consultation

24. No public consultation for the proposed land disposal is required.
25. The Land is only 7.24m² and is of a size and shape that it could only be sold to the adjoining landowner which was the intention when these were initially created.
26. Resource consent SR#500490 was granted without requiring either public or limited notification.

Implications for Māori

27. The Land is not noted in Council's current or draft District Plans as being of significance to Māori.
28. The Land is not noted in either the 2008 Deed of Settlement with Taranaki Whānui ki Te Upoko o Te Ika, or the 2012 Deed of Settlement with Ngāti Toa Rangātira.
29. There are no known implications for Iwi - the land is only 400mm wide and of a size and situation that it could only be reasonably sold to the adjoining landowner.

Financial implications

30. The owners of 25 Hanson Street are meeting all costs associated with this proposal and paying compensation assessed by an independent registered valuer.
31. The proceeds from the sale will be directed to the general fund and off-set Council borrowing.

Legal considerations

32. An Agreement to subdivide and transfer the Land has been signed by both parties, subject to Council approval being obtained. This Agreement was prepared by Council Legal Services.
33. A section 40 Public Works Act 1981(PWA) disposal report will be completed by Council officers and reviewed by Council's Legal Services team to ensure Council's section 40 PWA obligations are met.

Risks and mitigations

34. Overall, this proposal is considered low risk on Council's risk framework.

Disability and accessibility impact

35. There are no known disability and accessibility impacts related to this proposal.

Climate Change impact and considerations

36. There are no known significant climate change implications related to this proposal.

Communications Plan

37. No communications plan is required.





Health and Safety Impact considered

38. There are no known health and safety impacts related to this proposal.

Ngā mahinga e whai ake nei | Next actions

39. Produce s40 PWA report.
40. Engage surveyor to undertake the subdivision of the isolation strip of that *part of Part Lot 1 DP 8308, ROT WN379/283* that immediately adjoins 25 Hanson Street.
41. Once subdivision is complete and new title issued, then settlement and transfer.

Attachments

- | | | |
|---------------|-----------------------|---|
| Attachment 1. | Location Plan Hanson |  |
| Attachment 2. | Aerial |  |
| Attachment 3. | Views at street level |  |
| Attachment 4. | Site plan |  |

Location Plan



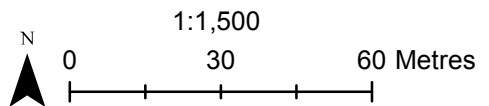
April 19, 2022

Disclaimer:
 The use of any land or property information in OneMap is entirely at the user's own risk and discretion. Wellington City Council does not give any warranty that any information contained is accurate or complete. The Council does not accept any responsibility or liability for any action taken, or omission made, in reliance on information obtained from OneMap.

Data Statement:
 Property boundaries, 20m Contours, road names, rail line, address & title points sourced from Land Information NZ. Assets, contours, water and drainage information shown is approximate and must not be used for detailed engineering design. Other data has been compiled from a variety of sources and its accuracy may vary, but is generally +/- 1m. Crown Copyright reserved.

Property Boundaries Accuracy:
 +/-1m in urban areas
 +/-30m in rural areas

Data Source:
 Census data - Statistics NZ.
 Postcodes - NZ Post.

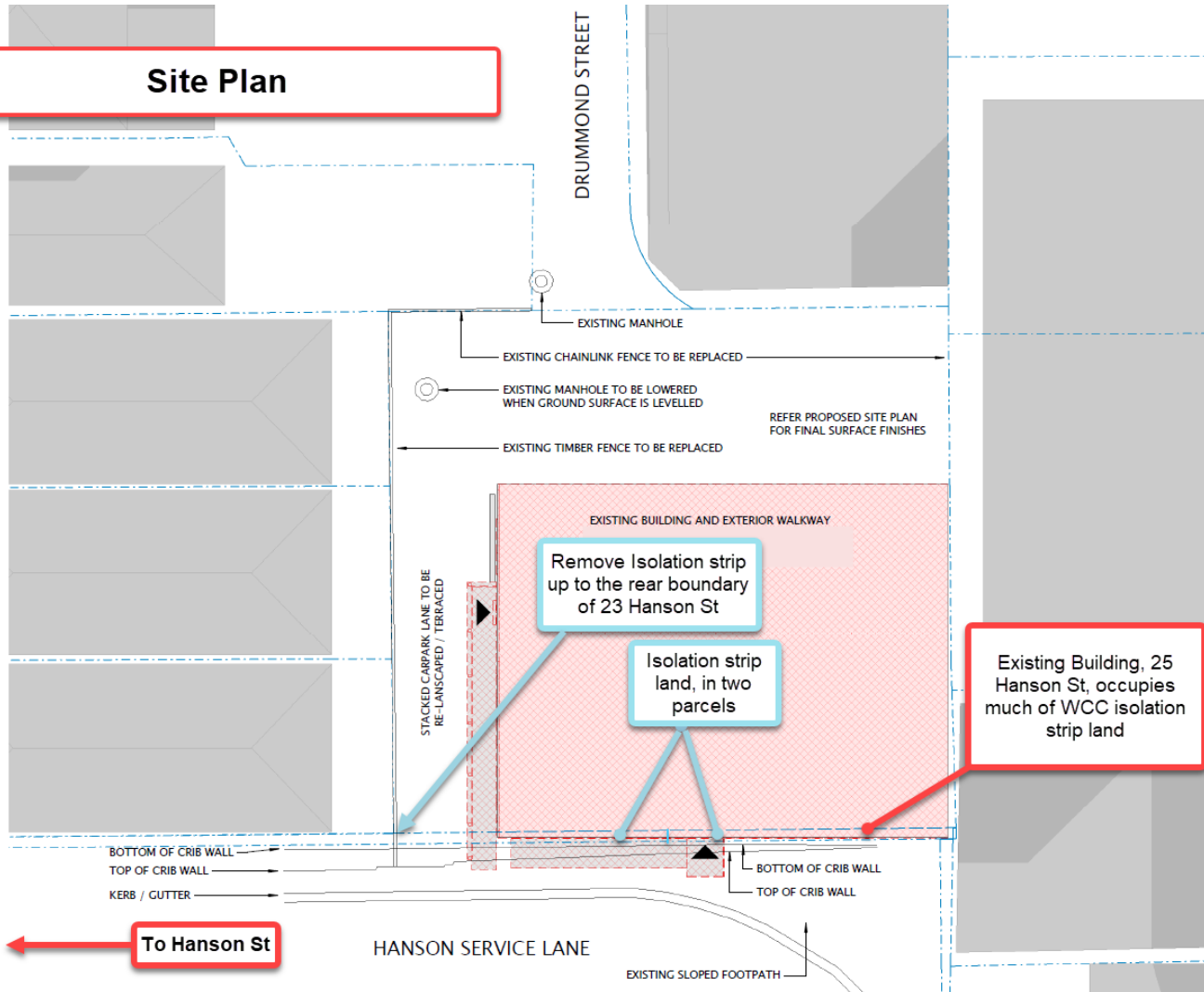


Absolutely Positively
Wellington City Council
 Me Heke Ki Pōneke





Site Plan



PRIORITY INVESTMENT QUARTERLY REPORT

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Waihanga | Infrastructure Committee is to report on the progress of our Priority Wellington City Council Projects and Programmes against agreed project parameters.

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.

Financial considerations

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

Risk

- Low Medium High Extreme

Authors	Rebecca Adams, Chief Advisor to CIO Andrew Cowie, Manager Project Mgmt Office
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Waihanga | Infrastructure Committee:

- 1) Receive the information
- 2) Note that there are sixteen projects within the Priority Investment Report which represent key projects and initiatives that are required to meet our priority objectives from the Long-Term Plan. One project, Ngaio Gorge has been added to the register this reporting period.
- 3) Note that this report is intended to meet the requirement of the Infrastructure Committee's responsibility to monitor and provide oversight for significant projects within its area of focus.

Whakarāpopoto | Executive Summary

2. The report provides an overview of the current status of Wellington City Council's priority investment projects and programmes. The report is provided on a quarterly basis to the Infrastructure Committee and provides a snapshot of the health of each project and programme, against the parameters of project timelines, project budget and project scope. There are no actions sought from the committee at this time. Takenga mai | Background
3. A project or programme is defined as a temporary endeavour, with a defined beginning and end, undertaken to create a unique output. Projects can vary in size, complexity, or risk.
4. Projects require effort that is fit for purpose, based on their classification of minor, moderate or significant.
5. The Council's capital programme over the next ten years is valued at \$3.2billion. To deliver such a large and complex programme of work, it is essential that we improve our project management capability and capacity.
6. To achieve this, the Project Management Office develops and maintains project management standards and is working to lift project management and governance capability across the organisation.

Kōrerorero | Discussion

7. Common project risks (potential problems/opportunities) and issues (actual problems/opportunities) across the organisation are being driven by COVID-19.
8. In particular COVID-19 has impacted supply chains over this reporting period. Products and materials are delayed, and consequently unavailable for construction projects.
9. High-demand across all sectors is resulting in lack of available contract resources, both specialist and general. This is causing significant delays in scheduling.
10. The flow on effect across central and local government is a consistent capex underspend. Projects are unable to expend capex as per original and re-baselined plans.

Ngā mahinga e whai ake nei | Next actions

11. The next Priority Investment Report is due at Infrastructure Committee August 2022

Attachments

Attachment 1. Priority Investment Report _ Mar22

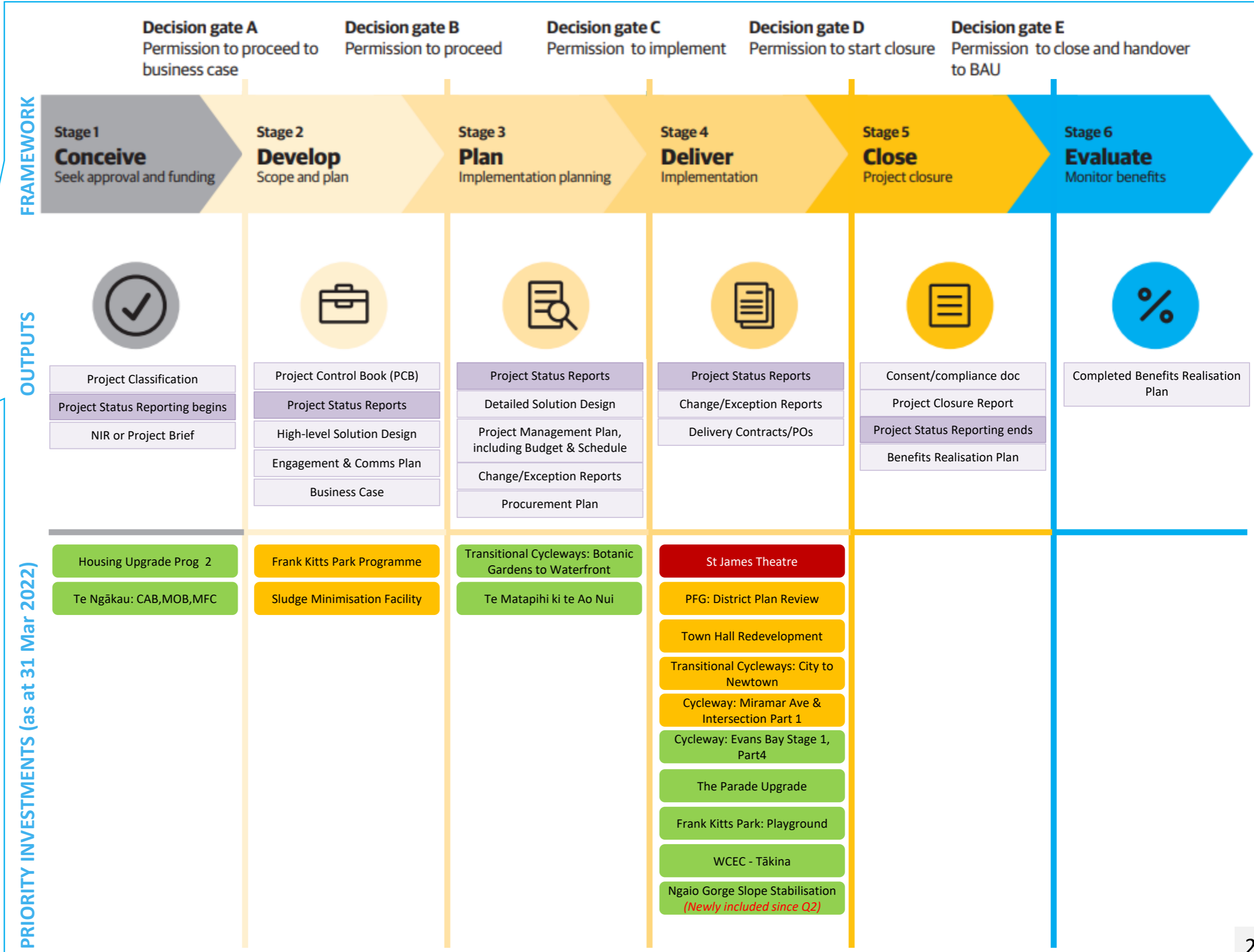
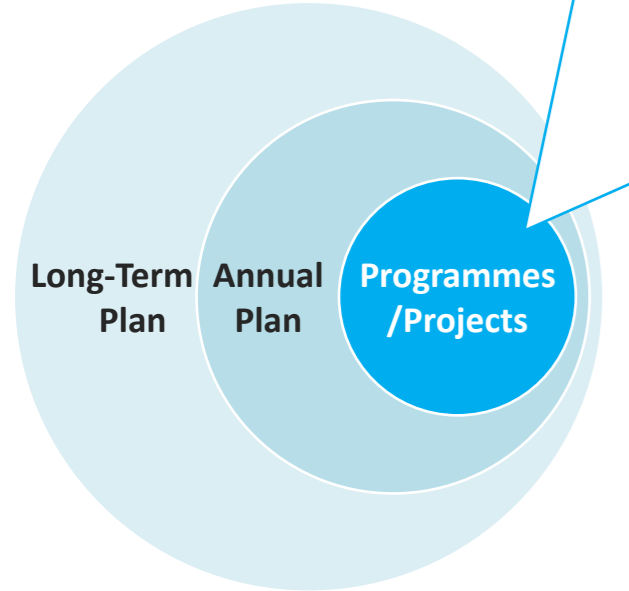
Infrastructure Committee
27 April 2022

PRIORITY INVESTMENT QUARTERLY REPORT

(FY2021-22 Q3_END MARCH 2022)

Investment Delivery Framework (IDF)

WCC's Investment Delivery Framework (IDF) represents the full life-cycle of a project at Council from the time an idea is first conceived, to after the project has ended and its benefits are realised.



Overall Delivery Confidence RAG

The Programme/Project Overall Delivery Confidence RAG represents the WCC's view of a project's ability to deliver against its defined programme/project parameters - Budget, Schedule, Scope, Benefits, Risks, Issues, Resources, Engagement & Communications, Change Control, Health & Safety, and Dependencies.

GREEN (G)

Successful delivery of the project against its project parameters appears on track as planned, and there are no major outstanding issues or risks that appear to threaten delivery.

AMBER (A)

Successful delivery of the project against its project parameters appears feasible but significant issues already exist, requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun or loss/delay of benefits.

RED (R)

Successful delivery of the project against its project parameters appears to be unachievable. There are major issues with schedule, budget, resource, quality and/or benefits delivery, which at this stage do not appear to be resolvable. The project may need re-scoping and/or its overall viability reassessed.

Priority Investments
In order of IDF Stage

END MARCH STATUS

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 1. CONCEIVE								
1	Housing Upgrade Programme Phase 2 (HUP 2)	Start - End Date: Mar 2020 - Jul 2028 <i>Original Date: Mar 2020 - Jul 2028</i> IDF Stage: 1. Conceive FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget: *\$ 268.285m</i> Approved Budget: \$ 272.705m \$ 3.943m Spend to Date: \$ 0.453m \$ 0.119m Forecast End Cost: \$ 272.705m \$ 1.148m (Variance): (-) (70.9% ▼) over budget ▲ under budget ▼ <i>*From original LTP. Revised & Reschedule end of 2021</i>	A	A	G	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Detailed Seismic Assessment (DSAs) works: City Housing tendered the re-assessment of detailed seismic assessment works among five original suppliers. Spencer Holmes and BECA were the preferred suppliers. Spencer Holmes DSAs are progressing well and will be delivered in May 2022. Refurbishment Concept Designs: Negotiations are progressing. Five suppliers have been issued a draft contract due for feedback by 08 April 2022. Resourcing: Reviewing Project Director requirements and the establishment of the HUP2 Project Board. A Project Administrator is confirmed and will start on the 19 April 2022 and we are in early discussions with a potential Project Director who has the depth of experience to deliver such a significant project. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> Programme Funding: Discussions around City Housing financial sustainability are progressing with the Council and Central Government. The programme re-forecast for this financial year happens every month and the project is investigating with finance the possibility to re-prioritize any underspend. Market Pressures: It is a very busy market for consultants and contractors alike. City Housing is dividing pieces of work among various suppliers, where feasible. This is to ensure capacity to deliver within expected timeframes. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Sign off concept refurbishment design contracts with all suppliers. Receive updated detailed seismic re-assessments from Spencer Holmes and potentially re-assign remaining seismic works to preferred suppliers. 		
2	Te Ngākau (Incl. CAB, MOB, MFC Carpark)	Start - End Date: Dec 2020 - Jul 2022 <i>Original Date: - Jun 2022</i> IDF Stage: 1. Conceive FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> Approved Budget: \$ 18.325m \$ 4.478m Spend to Date: \$ 0.784m \$ 0.784m Forecast End Cost: \$ 18.325m \$ 1.202m (Variance): (-) (73.1% ▼) over budget ▲ under budget ▼	G	G	G	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Continuing to progress the range of workstreams that support lodging the resource consent for the demo of MOB and CAB. This is the primary goal for this year's work programme. Highlights - Pathway resolved to get mana whenua statement of significance for the conservation plan completed in early April. Draft Design Brief and Demolition Plan are in good shape. Presentation to Councillors providing an update on the Te Ngākau programme. Lowlights – Resource issues caused by Covid will delay the resource consent by at least one month. Forecast underspend is for this year is CAPEX and will be carried forward to the next Financial Year. Current project plan is focussing on consenting deadline only, programme plan is under development to include all anticipated Council projects within the precinct. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> Significant projects within the precinct (Town Hall, Te Matapihi and MFC carpark) interface with the public realm (paving, landscaping etc). Our risk is that these interfaces don't co-ordinate with or contribute to the Framework aims. Mitigation - maintain close liaison with respective project managers to ensure aims of the Framework are maintained. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Close out the supporting reports for the Resource Consent application i.e. the Demolition Plan, the Conservation Plan (with mana whenua statement of significance) and the Design Brief reports. 		

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 2. DEVELOP								
3	Frank Kitts Park Programme (Covers: Geotech assessments, Demolition Plan, Chinese Garden, Fale Malae and Wider Development Plan)	Start - End Date: Sep 2021 - Mar 2023 <i>Original Date:</i> - Jun 2022 IDF Stage: 2. Develop			G	G	A	<p>This project is to develop a plan for the Frank Kitts Park programme of work. Demolition/Construction of Individual park features will be delivered under their own projects. Note that the Fale Malae project is external to WCC.</p> <p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> • Presentation of FKP plan to councillors has been pushed out from June 2022 to March 2023, due to required engagement/landowner approval process. • Geotech report for Carpark Demolition complete and engagement plan developed, which is currently being reviewed by SRO. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> • (Issue) Red Schedule due to the change in schedule from June 2022 to March 2023 for the development plan. Will get to Green next reporting period once new baseline schedule is approved. • (Issue) Amber Dependencies due to the change in schedule of the development plan which has a knock-on impact to car park demolition planning and Chinese garden re-design. Will get to green once new baseline schedule is approved. • (Risk) Amber for Resources due to lack of comms team resourcing however this is not yet affecting the programme. Working with the comms team to mitigate early prior to public consultation in Nov. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> • New programme and engagement plan formally approved by SRO and first draft of demolition plan complete.
		FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> Approved Budget: \$ 0.250m \$ 0.250m Spend to Date: \$ 0.218m \$ 0.218m Forecast End Cost: \$ 0.250m \$ 0.250m (Variance): (-) (-) over budget ▲ under budget ▼						
4	Sludge Minimisation Facility Project	Start - End Date: Sep 2021 - Mar 2026 <i>Original Date:</i> IDF Stage: 2. Develop			A	A	A	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> • Overall risk rating is Amber, due to resource constraints, supply chain risks and process performance risks. • FY21-22 budget variances noted due to some effort originally planned for current FY moving to next FY. • WOPC budget variances noted due to planned activity prior to Financial Close with CIP expecting to exceed approved interim budget. This will be resolved as we get better definition on the requirements for, and achieve, Financial Close. • Business case nearing completion (review completed by Governance Group and being updated this month) and discussions ongoing with CIP on requirements for Financial Close for funding. • Cost manager (BondCM) and peer reviewer (Stantec) in final stages of contract negotiation. ECI Contractor tender closes 26 April. • Preliminary design deliverables (Beca) received for review. Operability and Functionality Workshops completed (6 workshops) • Heads of agreement for land purchase in negotiation with WIAL. • Resource Consent applications (Beca) due end May 2022. Pre Application meetings completed. • Stakeholder engagement underway for levy to ratepayers. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> • Risk that constrained employment market increases project delivery cost and/or lengthens project schedule. Mitigation is early engagement of contractor on ECI basis, and, ensure efficient transition to detailed design and construction phases. • Risk that unreliable global supply chains increases project delivery cost and/or lengthens project schedule. Mitigation is early identification and procurement of long lead packages, and appointment of nominated package manager / expeditor for these items. • Risk that the required process performance is not achieved (solids destruction, energy efficiency, utility consumption, etc). Mitigation is undertaking a detailed assessment of failure modes that contribute to performance not being achieved and quantification of specific remedial actions to inform sensible decision making on process performance risk allocation. • Risk that the existing Moa Point WWTP facility does not have sufficient long term capacity (identified Feb 2022). Mitigation is engagement of an independent expert to confirm capacity constraint <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> • ECI phase to start. • Long lead packages to be procured (Tier 1 Equipment). • Adequate WCC project resourcing to be secured. • Business case finalisation.
		FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> Approved Budget: \$ 36.148m \$ 15.815m Spend to Date: \$ 5.250m \$ 5.250m Forecast End Cost: \$ 41.007m \$ 11.322m (Variance): (13.4% ▲) (28.4% ▼) over budget ▲ under budget ▼						

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 3. PLAN								
5	Transitional Cycleways - Botanic Gardens to Waterfront	Start - End Date: Aug 2021 - Dec 2022 <i>Original Date: Aug 2021 - Sep 2022</i>			G	G	G	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Enabling works delayed due to Covid - Now commencing Sept 2022. Route installation scheduled Nov-Dec 2022. Tinakori businesses increasing concerns/frustrations following public release of plans. Business readiness phase introduced and increased communications with key stakeholders and mailchimp list introduced into programme as learning from Newtown to City. Overspend for this financial year expected as materials for installation purchased early. Overall project costs tracking within budget. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> Enabling works now scheduled near local elections. Tinakori businesses increasing concerns/frustrations following public release of plan – increasing communications with these businesses to mitigate effect. Delivery timeframe is dependent on Newtown to City delivery which could result in flow on programme impacts. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> No key milestones next reporting period.
		IDF Stage: 3. Plan						
		FINANCIALS (O+C)	WOPC	FY21-22				
		<i>Original Budget:</i>	\$ 2.209m					
		Approved Budget:	\$ 2.209m	\$ 0.700m				
		Spend to Date:	\$ 0.512m	\$ 0.512m				
		Forecast End Cost:	\$ 2.209m	\$ 0.750m				
		(Variance):	(-)	(7.1% ▲)				
		over budget ▲						
		under budget ▼						
6	Te Matapihi ki te Ao Nui (Central Library)	Start - End Date: Jul 2021 - Feb 2026 <i>Original Date: Jul 2021 - Feb 2026</i>			G	G	G	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> 100% Preliminary Design (PD) to be approved by Project Board on 21 April 2022. Mana whenua PD report delivered and to be investigated by Project Control Group for design inclusion. Value engineering has delivered savings requirement, subject to any changes arising from 100% PD in the month of April (Value management ongoing). Progression of enabling works with campus mechanical contractor (ABS) for the design of the new cooling/heating water system for Te Ngākau assets. ABS design and associated work costings have come in at a higher level than anticipated, with a significant provisional sum. Project and WCC Property are working together to attempt to resolve the high provisional sum. Highlights: LT McGuinness ECI contract signed. 100% Preliminary design delivered. LT McGuinness collaborating with all design consultants. WCC internal client "roadmap" for next 4 years being developed. Next Month's Focus: Facade and Borehole reports from specialists will be available and cost implications understood. Client feedback to 100% preliminary design to be delivered. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> (Issue) Lifts - pit condition, as a result of basement flooding and lift shaft not being fire rated to current code, is being investigated by Schindler (lift specialists) and AAL. Costs are running at a higher level than anticipated, with resultant budget pressure likely in the month of April. Operational design lead needs to be confirmed, options have been identified and a proposed solution has not been agreed to. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Preliminary Design approved by TMP Board - April 2022 Resource Consent Stage 1 Earthworks Approval - May 2022
		IDF Stage: 3. Plan						
		FINANCIALS (O+C)	WOPC	FY21-22				
		<i>Original Budget:</i>	\$ 204.367m					
		Approved Budget:	\$ 204.367m	\$ 8.924m				
		Spend to Date:	\$ 3.710m	\$ 3.710m				
		Forecast End Cost:	\$ 204.367m	\$ 8.924m				
		(Variance):	(-)	(-)				
		over budget ▲						
		under budget ▼						

#	PROGRAMME · PROJECT NAME			PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 4. DELIVER							
7	St James Theatre Strengthening Project	Start - End Date: Sep 2017 - Jun 2022 <i>Original Date:</i> - May 2022 IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> Approved Budget: \$ 40.618m \$ 13.900m Spend to Date: \$ 38.529m \$ 11.808m Forecast End Cost: \$ 42.402m \$ 15.682m (Variance): (4.4% ▲) (12.8% ▲) over budget ▲ under budget ▼	R	A	R	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Red is driven by forecast project completion date moving to 17 June due to Covid. Major construction works now complete Recommissioning of the theatre systems as well as work to reinstate the building fitout and heritage finishes has commenced. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> (Schedule) Programme and cost pressures due to Covid delays and pre-existing structural deficiencies and complexities discovered during construction. Mitigation: Extended work hours, close scrutiny of project critical path; clearly defined plans to manage Covid impacts. (Resources) Emerging risk is the sourcing of key technical resources and materials. Mitigation: To develop contingency plans for 'out of town' contractors and early engagement with supply chain and wherever possible source materials - sourced locally. (Schedule) Recommissioning of building and theatre services, building has not operated for extended period, challenges expected. Mitigation: Venues staff have engaged as early as possible for training and operational testing. Specific isolation protocols are in place for specialist theatre services team. Weekly commissioning meetings for all key players. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Complete architectural and building services works - April 2022 Complete theatre services commissioning - April 2022 Complete training for venues and facilities personnel - April 2022 Practical Completion - Jun 2022 	
8	District Plan Review	Start - End Date: Jun 2019 - Dec 2024 <i>Original Date:</i> Jun 2019 - Dec 2024 IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 17.027m Approved Budget: \$ 17.027m \$ 2.973m Spend to Date: \$ 7.679m \$ 2.785m Forecast End Cost: \$ 20.113m \$ 3.413m (Variance): (18.1% ▲) (14.8% ▲) over budget ▲ under budget ▼	A	R	A	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Status is Amber because of ongoing resourcing challenges & anticipated year end budget overspend (currently sitting at \$440K, 14% variance). In March, Councillors were briefed on Streamlined Planning Process (SPP) proposal for the PDP. A decision to take a faster, track was declined & now the plan will be split between the first schedule & the RMA prescribed ISPP process. Decision on the exact split will be taken in May by Councillors. Progress is being made in the following areas: - developing up the x32 Section 32 Evaluation Reports, making amendments to the x62 Chapters to the PDP (from feedback on the draft plan), consultation planning for the PDP, updating GIS maps for the PDP, financial re-forecasting for this and outyears. Recruitment is progressing for vacant roles. Programme currently remains on track to notify the PDP for consultation in July. The Whole of Project Life forecast variance is largely historical relating to the Spatial Plan work in previous years, funded from the same budget. The District Plan programme is still subject to increased cost pressures from 2021 RMA legislative changes, plan development process decisions, tight labour market and Covid-19 impacts. <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> Risks: Programme resourcing remains the biggest current issue (& future risk). This is due to the current tight labour market, number of current vacancies, impact of Covid-19 on staff & the work programme ahead. Mitigations: A recruitment programme is underway. Temporary internal secondments (supplemented by external consultants), are being implemented as part of the programme. Mitigation against further Covid-19 disruption is being undertaken in the design of a District Plan consultation approach being designed for a Covid-19 environment (& potentially limited team resources). Ongoing focus & support for staff health, safety & wellbeing - including supporting the team to continue to (mostly) work remotely, to slow the spread of Covid amongst staff. Risk: Potential cost increases for running a split Proposed District Plan Process. Yet to be determined. <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Finalising Section 32 evaluation reports, continued work on amending proposed chapters to PDP, continued consultation planning & prep, supporting a number of Councillor Working Group meetings on the PDP chapters, continued recruitment activities, & a procurement exercise for independent planning commissioners. 	

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 4. DELIVER								
9	Town Hall Redevelopment Project	Start - End Date: May 2019 - Aug 2024 <i>Original Date:</i> - Apr 2023 IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> Approved Budget: \$ 145.297m \$ 29.185m Spend to Date: \$ 80.349m \$ 21.708m Forecast End Cost: \$ 175.410m \$ 27.103m (Variance): (20.7% ▲) (7.1% ▼) over budget ▲ under budget ▼			A	A	A	GENERAL UPDATE: <ul style="list-style-type: none"> Overall Status is Amber due to schedule delays and cost escalation – paper being prepared for Council in May seeking approval for budget and schedule adjustments. Work continues to partially mitigate delays to the critical path by integrating smaller packages into larger packages Steel fixers numbers have increased up to 90%, so a significant improvement over last month, which is important to achieving critical path works. KEY RISKS/ISSUES & TREATMENTS: COVID RISK: <ul style="list-style-type: none"> Covid continues to be the biggest risk to the project with the effects felt through limitations on the main contractor, sub trade resources and material supply. There has been a loss of productivity of 50% in some weeks but this is now heading down. The mitigation for Covid is a very clear focus on keeping foundation concrete critical path works as close to plan as possible. A number of alternative plans are being worked through to keep critical site work going. We note that the Covid/Escalation effect cannot be negated, only reduced. We are currently working on determining our best estimate of the impact of COVID on the project cost and schedule. These will be brought to Council for approval in May. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Council paper seeking to re-baseline the project Sheet piling to start and finish as planned Q3/4 2022. Basement waterproofing and tiling.
10	Transitional Cycleways - Newtown to City	Start - End Date: Aug 2021 - Aug 2022 <i>Original Date:</i> Aug 2021 - Jun 2022 IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 3.812m Approved Budget: \$ 3.812m \$ 3.262m Spend to Date: \$ 0.506m \$ 0.506m Forecast End Cost: \$ 3.603m \$ 3.208m (Variance): (5.5% ▼) (1.6% ▼) over budget ▲ under budget ▼			A	A	A	GENERAL UPDATE: <ul style="list-style-type: none"> Amber alert primarily as a result of the issue relating to the John St Businesses frustrations. Ongoing comms and engagement for Adelaide Road/Riddiford businesses and Kent/Cambridge businesses. New process has been implemented to communicate with the most vocal business. Updates provided to ELT and Councillors. Further modelling of John St intersection to accommodate loading zone completed. Loading zone location to support John Street businesses confirmed. Installation begins 18th April following Omicron delays resulting in FY costs pushing into next year. KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> E-petition from John St businesses to halt and/or delay works. To be heard by Council on 14th April. Alternative loading zone location confirmed and incorporated into design. Relatively confident that this won't stop the planned works due to Councillor support. Only 1 small construction crew assigned for delivery - risk to timeframes and ability to adapt. Exploring other resource availability. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Commencement of enabling works on 19th April

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 4. DELIVER								
11	Cycleways - Miramar Avenue Cycleway and Intersection Improvements Phase 1	Start - End Date: Jun 2020 - May 2022 <i>Original Date: Jun 2020 - Mar 2022</i> IDF Stage: 4. Deliver			G	R	A	GENERAL UPDATE: <ul style="list-style-type: none"> Completion of works include the construction of shared path is completed, installation of all the traffic islands at the intersections, the sand blasting of the shared path, the resurfacing works and the installation of the raised crossings at three road intersections. Only remaining work is the planting. The cost scope adjustment is being drafted with approval to be sought from the Governance Board to offset the underspent budget from the Cobham Drive cycleway project to cover this project's overspend. KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> Risks: Covid Mitigation: Practise proper health and safety measure KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Miramar Planting - May 2022 Practical Completion - May 2022
		FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 2.10m Approved Budget: \$ 2.10m \$ 1.43m Spend to Date: \$ 2.30m \$ 1.64m Forecast End Cost: \$ 2.75m \$ 2.09m (Variance): (31.2% ▲) (45.7% ▲) over budget ▲ under budget ▼						
12	Cycleways - Evans Bay Parade Stage 1 (Part 4)	Start - End Date: May 2016 - Apr 2022 <i>Original Date: May 2016 - Mar 2022</i> IDF Stage: 4. Deliver			G	G	G	GENERAL UPDATE: <ul style="list-style-type: none"> The project team has successfully completed the construction of 680 metres of footpath and a two-way bike path including the installation of the temporary Northern and Southern Cycle Crossing at Weka Bay. The project is expected to be completed under-budget given the contingencies allowed within the schedule of quantities for various items but were not used. KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> Issue: Wet well lid located in the northbound lane which was earlier in the parking lane CH1900 has not been designed for heavy and light vehicles trucking on it. Mitigation: Detailed design received from AECOM, Contract of Works Awarded to Fulton Hogan, work to programmed for next month. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Practical Completion - April 2022
		FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 4.220m Approved Budget: \$ 4.220m \$ 1.761m Spend to Date: \$ 3.611m \$ 1.155m Forecast End Cost: \$ 3.902m \$ 1.442m (Variance): (7.5% ▼) (18.1% ▼) over budget ▲ under budget ▼						
13	The Parade Upgrade	Start - End Date: Sep 2021 - Jun 2024 <i>Original Date: Dec 2020 - Jun 2024</i> IDF Stage: 4. Deliver			G	G	G	GENERAL UPDATE: <ul style="list-style-type: none"> P&E Committee have resolved to proceed with the safety improvement works for the residential areas of The Parade. Work on the town centre will be revisited toward the end of 2022. Resurfacing works and the installation of safety improvements are prepared for, and the resources available to deliver. KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> (Issue) Covid has reduced the contractor workforce by 40% however, the contractors have ensured their commitment to delivering the works. Regular updates and conversations is occurring to forecast delivery. Good weather is fundamental to the resurfacing works, which is the cornerstone of the safety improvements works. To mitigate, a large window of time has been allocated for resurfacing, to take advantage of better days. Ongoing management of the community expectations and feedback. Mitigation - actively talking to the community and going the extra mile. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Delivery of resurfacing in early-April and installation of safety improvements by late-May.
		FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 15.500m Approved Budget: \$ 15.500m \$ 1.000m Spend to Date: \$ 1.302m \$ 0.409m Forecast End Cost: \$ 15.500m \$ 1.305m (Variance): (-) (30.5% ▲) over budget ▲ under budget ▼						

#	PROGRAMME · PROJECT NAME				PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 4. DELIVER								
14	Frank Kitts Park - Playground (Te Aro Mahana)	Start - End Date: Oct 2020 - Sep 2022 <i>Original Date: 2007 - 2009</i> IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> *\$ 2.500m Approved Budget: \$ 7.088m \$ 4.700m Spend to Date: \$ 2.017m \$ 1.569m Forecast End Cost: \$ 7.088m \$ 4.700m (Variance): (-) (-) over budget ▲ under budget ▼ <i>*Budget from 2019</i>	G	G	G	GENERAL UPDATE: <ul style="list-style-type: none"> Construction work progressing on schedule. KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> COVID CONTEXT: Increased risk of delays on site and to arrival of materials as a result of covid context, illness/isolation of key site personnel or consultants. LIGHTHOUSE SHIPPING RISK TO SCHEDULE: ADC have advised of potential increased risk in overseas shipped items. MANA WHENUA ARTWORKS COSTS: Likely to exceed artworks budget. Mana Whenua representative has been advised. Pricing awaited before approach to be confirmed: either descope or additional funding required. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> LIGHTHOUSE: <ul style="list-style-type: none"> Shipping date: May 2022 Arrival in NZ: June 2022 Lighthouse superstructure install starts: July 2022 ARTWORKS: <ul style="list-style-type: none"> Pricing for artworks: April 2022 Tauihu steel structure issue For Construction: April 2022 		
15	Convention & Exhibition Centre - Tākina	Start - End Date: Aug 2018 - Feb 2023 <i>Original Date: Aug 2018 - Dec 2022</i> IDF Stage: 4. Deliver FINANCIALS (O+C) WOPC FY21-22 <i>Original Budget:</i> \$ 157.800m Approved Budget: \$ 161.000m \$ 50.400m Spend to Date: \$ 129.400m \$ 42.500m Forecast End Cost: \$ 161.000m \$ 55.900m (Variance): (-) (10.9%▲) over budget ▲ under budget ▼	G	G	G	GENERAL UPDATE: <ul style="list-style-type: none"> Construction remains on track – finishes and fitout on Ground and L1 making notable progress Main Cable St entry near completion Escalators and lifts almost completed as are ground floor flooring and bathrooms Electrical mains commenced and transformer received and onsite but resourcing issue means power will not be live until mid-May Café operator - preferred provider selected. New website development progressed ready for Tākina Events launched on 1 April – www.takina.co.nz KEY RISKS/ISSUES & TREATMENTS: <ul style="list-style-type: none"> Covid - we have received a Notice of Delay – all Covid protocols are being observed including mandatory masks, only essential site visits, site team split into silos. Café - it is likely it is likely that we will need to be flexible with the lease terms to secure our preferred operator and potentially make a contribution to the fit-out costs. KEY MILESTONES FOR THE NEXT REPORTING PERIOD: <ul style="list-style-type: none"> Complete car and goods lift install Finalise Streetworks design and start construction Agree lease arrangements with preferred café operator Agree internal names with Kura Moeahu representing Taranaki Whānui Approve first exhibition with panel 		

#	PROGRAMME · PROJECT NAME			PREV -2	PREV -1	OVERALL HEALTH	OVERALL COMMENTARY
IDF STAGE 4. DELIVER							
16	Ngaio Gorge Slope Stabilisation Improvement <i>Newly included since Q2</i>	Start - End Date: Apr 2019 - Dec 2022 <i>Original Date:</i> IDF Stage: 4. Deliver			G	G	<p>GENERAL UPDATE:</p> <ul style="list-style-type: none"> Slope Stabilisation work main slip area and lower slip area is in progress - Anchor installation is in progress in main and lower slip areas. One lane closed to provide safe work area and safe passage to traffic (one lane operating with traffic lights) <p>KEY RISKS/ISSUES & TREATMENTS:</p> <ul style="list-style-type: none"> Scope: Loose soil found at main slip slope area than expected and risk to workers - Temporary geofabric fixed with soil anchors to protect the slipping of soil <p>KEY MILESTONES FOR THE NEXT REPORTING PERIOD:</p> <ul style="list-style-type: none"> Slope Stabilisation (at both slips) - August 2022 Permanent Rad works and carpark - November 2022 Site clearance and practical completion - December 2022
	FINANCIALS (O+C)	WOPC	FY21-22				
	<i>Original Budget:</i>						
	Approved Budget:	\$ 10.395m	\$ 5.100m				
	Spend to Date:	\$ 6.976m	\$ 3.431m				
	Forecast End Cost:	\$ 10.500m	\$ 5.100m				
	(Variance):	(1.0% ▲)	(-)				
	over budget ▲						
	under budget ▼						

THREE WATERS REFORM UPDATE

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Waihanga | Infrastructure Committee provides an update on the Three Waters Reform process.

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

Significance

The decision is **rated low 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

Risk

- Low Medium High Extreme

Author	Heath George, Commercial Director
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Waihanga | Infrastructure Committee:

- 1) Receive the information
- 2) Support Officers' recommendation that it is not appropriate to lead community consultation on Three Water reform given:
 - The Three Waters reforms are being progressed in the form of mandatory national level legislation, and engagement on this reform should be led by Central Government
 - Council has been consistent in its support for the Government's Three Waters Reform programme
 - There are currently four significant issues in front of the community for consultation including Residual Waste, Sludge Minimisation Facility Levy, City Housing and the Economic Wellbeing strategy.
- 3) Agree to provide information to the community on the Council's position on Three Waters Reform at the appropriate times throughout the Government's programme.

Kōrerorero | Discussion

Whakarāpopoto | Executive Summary

2. This report accompanies a presentation from Dougal List, the Wellington Region's Project Director on Three Waters Reform, and provides an update on the Government's Three Waters Reform programme.
3. The presentation will be provided on the day of the Committee meeting and will incorporate the most up to date information as there is the possibility of Cabinet decisions occurring after this report is submitted, but before the committee meeting.
4. The Department of Internal Affairs (DIA) has stood up a National Transition Unit to manage the transition activities for Three Waters Reform.
5. WCC has created a transition manager role to manage the transition activities required by the National Transition Unit. Regular reporting will be provided to the committee as WCC participates in the transition process.
6. The Better Off funding application process has been published by DIA – Wellington City is entitled to \$14.42 million in tranche 1 which is available from 1 July 2022. Tranche 2 is \$43.27 million and is available from 1 July 2024.
7. Applications for Better Off funding are required by 30 September 2022. WCC Officers are working through this application process.
8. In October 2021, the Government announced it was progressing with its three waters reform programme and made it compulsory – i.e there is no "opt out" option for Councils.
9. At the time that Council passed its resolution to engage with the community there was an opportunity to opt out of reform, however circumstances have changed and it is no longer appropriate for WCC to lead any engagement.

Takenga mai | Government Reform Background

10. The Government has ambitions to significantly improve the safety, quality, resilience, accessibility, and performance of three waters services, in a way that is efficient and affordable for New Zealanders. To deliver on these ambitions the Government has introduced a Three Waters Reform programme.
11. The Government has outlined the following features to guide the design of the reform programme and operating structure.
 - Maintaining local authority ownership of water services entities.
 - Providing the necessary balance sheet separations from local authorities.
 - Protecting against privatisation.
 - An integrated regulatory system.
 - Retaining influence of local authorities and mana whenua over strategic and performance expectations.
12. The Government is seeking to enable greater strategic influence to exercise rangatiratanga over water services delivery, ensuring;
 - Integration of iwi/Māori rights and interests within a wider system.
 - Reflection of a holistic te ao Māori perspective.
 - Supporting clear account and ensure roles, responsibilities, and accountability for the relationship with the Treaty partner.
 - Improving outcomes at a local level to enable a step change improvement in delivery of water services for iwi/Māori.
13. The Three Waters reform programme will see the Council owned and operated three waters services transferred into four new publicly-owned Water Service Entities (WSE) to manage the future delivery of these services. These new entities will:
 - be publicly-owned by councils on behalf of communities, with strong protections against any future privatisation.
 - have joint strategic direction and oversight through Regional Representative Groups made up of local government and mana whenua to ensure the entities are driven by community expectations and priorities.
 - be financially separate from councils with a greater ability to borrow to fund long-term infrastructure.
 - have independent competency-based boards that will run the day-to-day management of the entities and oversee the maintenance and renewal of this infrastructure.
14. On 15 July 2021 the Prime Minister announced a financial support package of \$2.5bn for Councils that participate in reform. There are three relevant components for Wellington City:
 - \$57m better off funding for Wellington City designed to support communities to transition to a sustainable and low emissions economy, including by building resilience to climate change and natural hazards, or delivering infrastructure that enables housing and local place making. Some of this funding will be made available for use by councils from 1 July 2022, with the remainder available from 1 July 2024 when the new water services entities are anticipated to be established
 - Approximately \$20m ('no worse off' funding) (\$50m for all the WWL shareholding Councils) to offset stranded costs and overheads.
 - Additional funding to meet reasonable costs associated with the transfer of assets, liabilities, and revenue to new water service entities.

-
15. The Crown has committed to ensuring no Council participating in water reform is in a materially worse position financially to continue to provide services to its community as a direct result of the reform. The no worse off principle and associated methodology for valuing assets and debt have yet to be developed.

Representation, Governance & Accountability Report

16. Local Government New Zealand worked with the Government to establish of the Three Waters Working Group on Representation, Governance and Accountability (Working Group) to provide independent advice on how to improve the governance arrangements for the WSEs.
17. The working group considered its recommendations within the Government's bottom lines of good governance, Treaty partnership, balance sheet separation and public ownership.
18. The working group made the following recommendations regarding specific changes to the Bill to ensure:
- Instituting a public shareholding structure that protects community ownership, with shares held by councils on behalf of their communities. As shareholding owners of the WSEs, councils will have the right to vote on any proposal for the WSE to be sold or privatised. This will strengthen protections against privatisation as councils would have to agree unanimously for assets to be sold. No privatisation could occur unless every shareholder council agreed, and councils would be required to consult with their communities.
 - Establishing tighter accountability from each Water Services Entity Board to the community, through new and stronger mechanisms. The working group recommended strengthening and clarifying the role of the RRG, which has council and iwi/hapū representatives. The RRG would approve the Statement of Intent, which guides the WSE's decision making. The WSE should give effect to a Statement of Strategic and Performance Expectations set by the RRG, and report regularly to the RRG on its performance, making it much more accountable to the RRG and communities.
 - Strengthening connection to local communities so they have a clear and guiding voice in drinking water, wastewater and stormwater network development. The working group recommended the inclusion of sub-RRG committees comprising representatives of the communities and iwi/hapū in each region that will feed into the RRG. This will ensure local voices are always considered in investment prioritisation. We also recommend the establishment of a Water Services Ombudsman to safeguard consumers.
 - Recognising Te Mana o te Wai as an underlying principle. Embracing Te Mana o te Wai as the foundation for a more sophisticated and integrated approach to providing first class drinking water, wastewater and stormwater networks will ensure that the health and wellbeing of water and the wider environment remain paramount. The working group recommended extending Te Mana o te Wai into all aspects of the reforms to underpin the WSE framework. This will ensure that tikanga, mātauranga and in-depth knowledge of water, local conditions, history, and geology, and the importance of the wider environment and its communities, are all properly integrated into the governance and management approach to water services.
 - Ensuring co-governance principles across the water services .The Working Group recommendations aim to ensure the continued improvement of Three Waters service delivery and environmental protection through increased representation of our communities, including iwi/hapū, with co-governance as a central principle. This

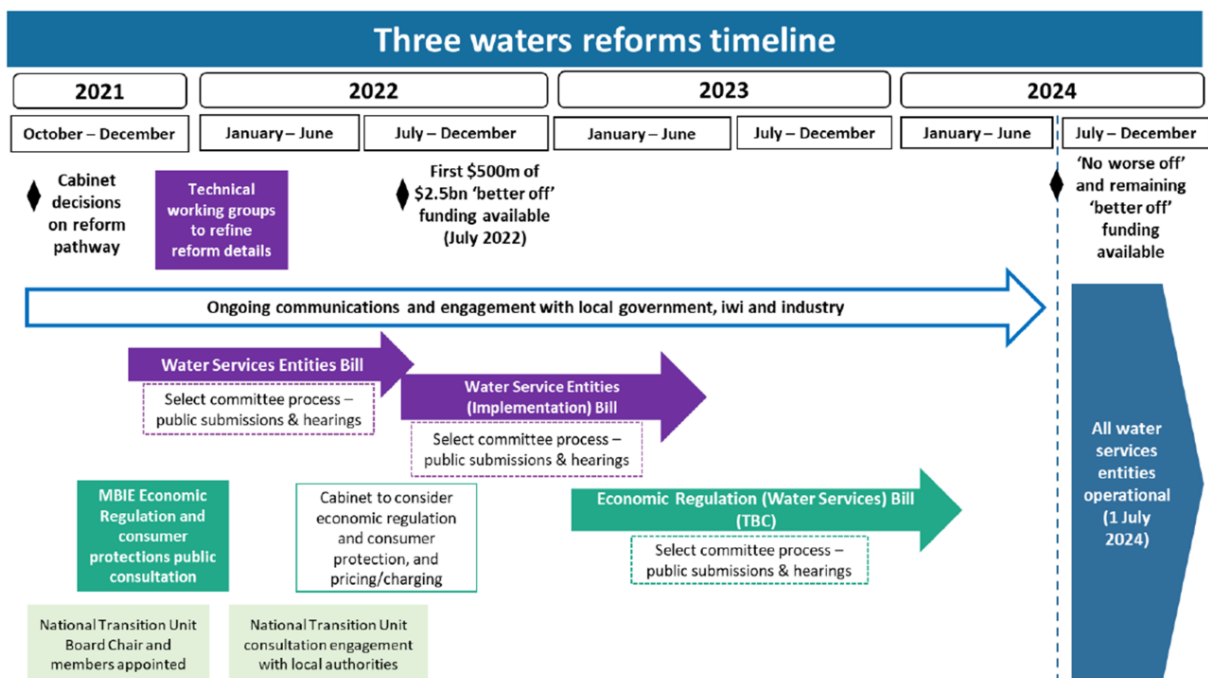
includes representation across the councils and iwi/hapū within each WSE region, along with a greater level of input and accountability.

- Deepening public understanding of the opportunity the reforms present for transformational change in recognising the centrality of Te Mana o te Wai in the health and wellbeing of wai and in creating sound frameworks to support community needs around how the new WSEs will operate. The working group would like the Crown to provide our communities with the same opportunity to learn. We recommend it gives fresh consideration to its ongoing communications and engagement with the public to build understanding of both the direct impact and the broader context of the Three Waters reforms.

19. There has been a variety of responses from Councils to this report, primarily supporting the content and direction suggested by the working group. The Government has received the report and is considering the content and will reflect any changes in draft legislation and Cabinet decision expected in late April/ early May 2022.

Three Waters Reform Programme

20. A summary of the expected timeline for the Three Waters Reform programme is shown below. The timeline is based on current information, noting that it is subject to change based on Government decisions and formal legislation expected in late April or early May 2022.



National Transition Unit

21. To facilitate the process of transitioning water assets out of local bodies into the new WSEs the Government has established a National Transition Unit (NTU). The purpose of the NTU is to execute the Government's decisions on Three Waters reform through a consistent and coordinated nationwide approach to transition.

-
22. The NTU's current focus is in three areas, information discovery, recruitment and facilitating the better off funding.
 23. The NTU's recruitment focus involves both filling permanent roles and inviting secondments from local bodies both into established roles and transition reference groups.

Kōrerorero | Discussion

Community Engagement

24. The Government initially presented the Three Waters Reform programme as optional for Councils. On 30 September 2021, in advance of making a decision on whether WCC would participate in the reforms, the Council resolved:
 - To seek further information from the Government on the next steps in the reform process, including consultation opportunities, and
 - To develop an understanding of the community's views of the Three Waters Reform programme through formal consultation or targeted engagement.
25. The Government subsequently signalled that participation in the Three Waters Reform programme will be compulsory for Councils, removing the ability of Councils to opt out of the reform process.
26. Council has been consistent in its support for the Government's Three Waters Reform programme both in its preliminary state and following the change to the reforms becoming compulsory.
27. The disposal of three waters assets will be required by legislation. The Department of Internal Affairs notes: "The Government has taken a decision to progress the reforms nationally. It is therefore appropriate that public consultation on these reforms occurs nationally rather than via local government".¹
28. Additionally, Officers are also aware of the many engagements that are currently underway across a range of issues including waste, City Housing and economic well being.
29. However, Officers advise that WCC provide information to the community on the Council's position on Three Waters Reform at the appropriate times throughout the Government's programme.

WCC Three Waters Reform Transition

30. WCC has established a Three Waters transition manager to ensure all DIA requests for information are provided in a timely and efficient manner and Council is updated at regular intervals.
31. WCC along with other WWL councils are also looking to continue to engage a Project Director that will provide a collective interface with the NTU and WWL, along with governance and technical support. Officers expect that this resource will be funded by DIA as part of the Government's commitment to fund to meet reasonable costs associated with the transfer of assets, liabilities, and revenue to new water service entities.

¹ [three waters reform programme frequently asked questions - dia.govt.nz](https://www.dia.govt.nz/three-waters-reform-programme-frequently-asked-questions)

Better Off Funding

32. The better off package is structured as an investment by the Crown into the future for local government and community wellbeing and a recognition of the significance to the local government sector (and the communities they serve) of the transfer of responsibility for water service delivery.
33. On 1 April 2022 the NTU published the Three Waters Better Off Support Package guide for local authorities. The guide steps through the criteria and process for applying for the first tranche of the better off funding. The key elements relevant to WCC are as follows:
 - WCC can apply for up to \$14.42m funding in tranche one and \$43.27 million in tranche two.
 - Tranche one is available from 1 July 2022 and tranche two from 1 July 2024.
 - WCC will need to complete a Funding Proposal which outlines the council's intentions for the funding, and enter into a Funding Agreement.
34. Officers are currently working through the process of identifying qualifying projects and developing the information for the application process.

No Worse Off Funding

35. Officers continue to engage with DIA on the progress of this workstream. DIA has engaged KPMG to develop the methodology for the determining the valuation of assets and debt and is in the process of establishing a Finance and Corporate Service advisory group to ensure local body representatives can input into the methodology development.
36. The preliminary analysis provided to Council on 30 September 2021 remains valid based on officers understanding of the no worse off principle that underpins the 3 Waters Reform programme. The key elements of this are:
 - The loss of 3 Waters income to the Council will have a significant impact on the Council's ability to raise debt. Preliminary analysis put the reduction in debt capacity related to the loss of 3 Waters income at \$377m.
 - WCC would need a payment in the vicinity of \$300-\$400m on top of transferring debt of approximately \$57m for WCC's balance sheet to be in a no worse off position post reform.
37. DIA has indicated the source of the no worse off payment is expected to be from the Water Service Entity C.

WCC Risks

38. Expertise in the water management is very limited at WCC, therefore seconding any resource to the NTU will likely leave WCC without key expertise to manage the interface with WWL. We do not expect any of our personnel to be approached given most of the water expertise resides in Wellington Water Limited (WWL).
39. Our largest risk is the ability to provide essential water services via WWL as access to skill and capacity in operational water service delivery is a significant challenge for WWL. The WWL shareholding Councils are looking to establish a Transition working group to keep across the BAU risks as well as manage the change process associated with transition to the new Entity C.

-
40. The process WCC will work through with DIA will deliver clarity on the scale and timing of any impacts on WCC.

Kōwhiringa | Options

41. Not applicable

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

42. Not applicable

Engagement and Consultation

43. Not applicable

Implications for Māori

44. Not applicable

Financial implications

45. The financial implications are discussed throughout the detail above.

Legal considerations

46. As noted above, the three waters reform is being progressed in the form of mandatory national level legislation, and any community engagement on this reform should occur at that national level.

Risks and mitigations

47. The risk to WCC have been covered in the detail above.

Disability and accessibility impact

48. Not applicable

Climate Change impact and considerations

49. Not applicable

Communications Plan

50. Not applicable

Health and Safety Impact considered

51. Not applicable

Ngā mahinga e whai ake nei | Next actions

52. None

Attachments

Nil

WELLINGTON WATER LIMITED STATEMENT OF INTENT

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Waihanga | Infrastructure Committee is to introduce the draft Wellington Water Limited Statement of Intent 2022-25 for feedback through the Wellington City Council's Shareholder representative.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

- | | |
|--|---|
| Strategic alignment with priority objective areas from Long-term Plan 2021–2031 | <input checked="" type="checkbox"/> Sustainable, natural eco city |
| | <input type="checkbox"/> People friendly, compact, safe and accessible capital city |
| | <input type="checkbox"/> Innovative, inclusive and creative city |
| | <input type="checkbox"/> Dynamic and sustainable economy |
| | <input checked="" type="checkbox"/> Functioning, resilient and reliable three waters infrastructure |
| | <input type="checkbox"/> Affordable, resilient and safe place to live |
| | <input type="checkbox"/> Safe, resilient and reliable core transport infrastructure network |
| | <input type="checkbox"/> Fit-for-purpose community, creative and cultural spaces |
| | <input type="checkbox"/> Accelerating zero-carbon and waste-free transition |
| | <input type="checkbox"/> 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 low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

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 |
|---|---------------------------------|-------------------------------|----------------------------------|

Authors	Rebecca Adams, Chief Advisor to CIO Chris Mathews, Manager Waste, Water and Resilience
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Waihanga | Infrastructure Committee:

- 1) Receive the information
- 2) Note that the draft Statement of Intent (SOI) has been prepared in response to the Water Committee's issued Letter of Expectation (LOE).
- 3) Note that certain of the workstreams arising from the LOE that are not prioritised at a regional level in the SOI are funded separately by Wellington City Council, and will be progressed for Wellington City Council.
- 4) Note that the next two years will be extremely challenging for WWL due to the transition to the new water Entity C.
- 5) Support WWL's proposed focus on looking after existing infrastructure and completing targeted growth investments
- 6) Support the Statement of intent, providing feedback through the Council's Water Committee Representative.

Whakarāpopoto | Executive Summary

2. The Councils' Water Committee (the Water Committee) governs Wellington Water Limited (WWL) and has provided a draft Statement of Intent (SOI) for shareholder feedback.
3. The draft SOI has been developed in response to the Water Committee's Letter of Expectation (LOE) and is presented to the Infrastructure Committee for review and feedback.
4. WWL has indicated that there is insufficient funding to achieve what it set out to achieve in its current SOI 2021-24 and has indicated in this SOI 2022-25 that current funding levels will result in a reduction in non-KPI activities (i.e. Management System maturity, e.g. building a Customer Relationship System and water sector innovation)

Takenga mai | Background

5. When Wellington Water Ltd (WWL) was established by the shareholding councils in 2014 a condition of the Shareholders' Agreement was the establishment of a Water Committee with elected member representation.
6. Wellington City has two contracts with WWL, the Governance arrangements covered by the Shareholder's Agreement (through the Shareholder's Representative and Alternate) and for operational matters, the Management Services Agreement (through the Council Client Representative).
7. The Shareholder's Representative on the Water Committee works in a governance capacity, contributing to the appointment the WWL Board, the drafting of the letter of expectation for WWL, and the reviewing of draft Statements of Intent (SOI).
8. The Shareholder's Representatives on the Water Committee hold the WWL board to account for the company's performance.

9. The Government's Three Waters Reform anticipates a transition from WWL to a new Water Services Entity from 1 July 2024.
10. Wellington City Council, as a Shareholding Council is well placed to support WWL to disestablish Wellington Water Ltd and make the successful transition in 2024.
11. In parallel to the transition to new water services entities in 2024, the regulator of Three Waters, Taumata Arowai is developing and communicating its own regulatory expectations. As part of the transition process, both WWL and Wellington City Council need to understand and plan for these expectations.
12. WWL has provided a line by line analysis of how the draft SOI responds to the LOE with officers providing additional advice on the expectations that WWL has indicated are not a funded priority for the region.

Kōrerorero | Discussion

13. The Water Committee Letter of Expectation (LOE) reflected a strained operating environment due to the stressors of COVID-19, and in recognition of the now mandated the Three Waters Reform.
14. The LoE priorities are:
 - Looking after existing infrastructure
 - Supporting growth
 - Ensuring a sustainable water supply
 - Improving environmental water quality
 - Reducing carbon emissions and being resilient to climate change
15. In addition, the LOE specifically requested:
 - a continued focus on asset management processes to improve data on asset condition and achieve greater certainty about future investment requirements
 - that budget increases (both operating and capital) should be signalled early so that council's statutory planning and budgetary processes can respond in a timely way.
 - to continue to evolve this model of working with iwi to improve the overall effectiveness of the company and its delivery on Te Mana o te Wai.
 - for improvement in its customer focus through the way it problem solves with and for communities, communicates about its work and resolves customer issues.
 - that its accountabilities to Owner Councils, Iwi, Customers and Taumata Arowai be fulfilled transparently and systematically.
16. Three Waters Reform is scheduled to transition into new water services entities from 1 July 2024. This will require the shareholder councils to disestablish WWL, while continuing to deliver critical services
17. Following the drafting of the LOE, WWL have developed a draft SOI.
18. The SOI sets clear organisational priorities for WWL, and focuses on maintaining existing infrastructure, and public health and life safety during the transition period.
19. Of note is the indication in 9(ii) of the Wellington Water Committee Cover paper, that due to the use of Stimulus funding for BAU operations in Year 1 of the LTP, the lack of

this additional funding in years 2 and 3 will likely impact the level of service for years 2 and 3.

20. Council is considering a request from WWL for a significant increase in operating expenditure for years 2 and 3 of the LTP.
21. The SOI acknowledges the risks associated with transition and considers how they can be managed at the same time as supporting the government's Three Waters Reform process.
22. WWL has committed to delivering twelve of the eighteen workstreams in its draft SOI. The remaining six that they will not be prioritising at a regional level are detailed in the table below:

WWL Non-priority Workstreams 2022-25	WCC Officer Response
Continue to pursue improvements in performance management systems.	Officers cannot assess the potential or actual impacts of this on levels of service as the Management Systems are WWL's.
Further clarity, development and performance reporting against the value for money work previously undertaken by the company and the benefits shared to the shareholders.	Officers do not believe this will result in a material reduction in value or levels of service.
Continued emphasis on reducing the water usage across the network at both a whole of supply level and an individual household level and the initiatives that support this work.	Wellington City; specifically, has provided increased baseline funding by \$250k per annum for WWL to pursue sustainable water use response.
Continued focus on asset management processes to improve data on asset condition and achieve greater certainty about future investment requirements.	Wellington City has increased baseline funding by \$500k per annum for Critical Asset Condition Assessment.
Improve customer focus through problem-solving with and for communities, communicate about WWL work and resolve customer issues.	This is an ongoing challenge and the balance of investing in developing new Customer Relationship Management systems (CRM) against the timeline for Three Waters Reform transition for 1 July 2024 needs to be carefully considered.
Keep abreast of innovations and value-add initiatives in the water sector to reduce cost, improve speed of delivery, ensure climate change targets are met and environmental improvements are delivered. Innovation should include a continued focus on internal efficiencies.	The SOI recognises the Three Waters Reform is gearing WWL towards transition (staff and knowledge) into a new Water Services Entity as the priority over non-transferable initiatives.

23. Wellington City has provisioned for a specific workstream that will deliver specific growth investment planning advice that is aligned with the Council's adopted Spatial Plan.

Kōwhiringa | Options

N/A

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

24. Council's review and feedback on the draft SOI is consistent with shareholder arrangements

Engagement and Consultation

25. N/A

Implications for Māori

26. Mana Whenua is represented on the Wellington Water Committee that issued the Letter of Expectation to WWL and will review the SOI

Financial implications

27. N/A

Legal considerations

28. N/A

Risks and mitigations

29. This SOI does not contribute to the achievement of Wellington's carbon reduction targets. Water services are a significant source of emissions for the Council and are significant for the city and nationally.

Disability and accessibility impact

30. N/A

Climate Change impact and considerations

31. This SOI does not contribute to the achievement of Wellington's carbon reduction targets. Water services are a significant source of emissions for the Council and are significant for the City and nationally.

Communications Plan

32. N/A

Health and Safety Impact considered

33. N/A

Ngā mahinga e whai ake nei | Next actions

34. Feedback will be provided to the Wellington Water Committee by 2 May 2022.

Attachments

- Attachment 1. Wellington Water Committee Statment of Intent Papers 



Wellington Water Committee | Komiti Ngā Wai Hangarua

09 February 2022

File: (22/312)

Report no: WWC2022/1/8

Wellington Water Limited - Draft Statement of Intent 2022-25

Purpose of Report

1. The purpose of this report is to invite feedback on Wellington Water Limited's initial draft Statement of Intent 2022-25 and seek a month extension to deliver the final document to better align with council annual plan decision-making.

Recommendations

That the Committee:

- (1) receives Wellington Water Limited's draft Statement of Intent 2022-25 attached as Appendix 1 to the report;
- (2) provides combined shareholder feedback on Wellington Water Limited's draft Statement of Intent by Monday, 2 May 2022;
- (3) endorses the outlined approach to finalise Wellington Water Limited's Statement of Intent 2022-25 to allow for alignment with council annual plan decision-making; and
- (4) agrees to provide Wellington Water Limited with a one-month extension in accordance with Schedule 8, Part 1, Clause 4 of the Local Government Act 2002 to deliver the final Statement of Intent 2022-25 to the Committee by 31 July 2022.

Background

2. Wellington Water Ltd (the Company) is required to adopt a Statement of Intent (SOI) prior to the beginning of each financial year.
3. The purpose of the SOI is to:
 - i. state publicly the activities and intentions of the council-controlled organisation for the [financial year to which it relates and each of the immediately following 2 financial years] and the objectives to which those activities will contribute;
 - ii. provide an opportunity for shareholders to influence the direction of the organisation; and
 - iii. provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.
4. The SOI is guided by the Annual Letter of Expectations, which shareholders must provide by 1 December each year.
5. A draft of the SOI must be provided to shareholders no later than the end of February, and the Board must formally consider comments (if any) from shareholders by the end of April. The final SOI must be adopted by 30 June.
6. Shareholders, by written notice, may extend this deadline by up to one calendar month to 31 July.

Our operating environment

7. The adoption of 2021-31 long-term plans saw a lift in investment by councils across the region that will go some way to beginning to address our aging three waters infrastructure over that period.
8. As explained at the time, the agreed investment was not enough to meet the long-term outcomes the Company set out in its advice to each council for each strategic priority. This means that the region is beginning to move in the right direction for 'looking after existing infrastructure', but further away from progress in other key areas like water security, the water quality of our rivers, streams and harbours and working toward net carbon zero.
9. As the Company looks ahead for the next two years, delivery will be impacted by a number of factors out of the Company's direct control and that are still emerging:
 - i. Rising costs of materials and labour, interruption in the supply chain, and general capacity and capability limitations in the sector, the Company is building less for more, and with longer lead in periods (exacerbated by COVID-19), while the aging network is revealing itself with an increasing backlog of planned and reactive maintenance and repairs.

- ii. In this current financial year, the Company has applied stimulus funding to fund BAU operations such as reactive maintenance as well as critical strategic programmes such as getting ready for regulation, leak detection and repair, asset management system improvements and very-high criticality asset condition assessments. This finishes on 30 June 2022 and will impact the Company's level of service for years 2 and 3 if the Company is unable to secure further three waters funding from the government.
 - iii. New costs and risks over and above of what is allowed for in the LTP have emerged over the last 12 months since LTP adoption such as increasing asset failures, preparing for the new drinking water regulator (followed by stormwater and wastewater in 2023), and cybersecurity risk.
10. It was acknowledged in our 2021-31 LTP advice that government stimulus funding support would end. A new funding stream of 'better off' funding will be released but the indication so far from councils is that this is earmarked for other non-three waters activities and/or will be used instead to respond to risks.
 11. Water reform was confirmed for all councils late last year, and just before Christmas an exposure draft of the Water Services Entities Bill released. This will be followed by the formal introduction of the Water Services Entities Bill for submissions in March/April.
 12. Meanwhile the transition programme is beginning to gain traction led by the Department of Internal Affairs (DIA) – for example the Company is in the process of responding to a RFI from DIA on the three waters workforce. The Company is commencing work to understand and quantify the resourcing of the transition as more information is released, but a collaborative approach is required to ensure the right outcomes for the government, councils and the Company.

Draft Statement of Intent 2022-25

13. The Company received the Annual Letter of Expectations on 29 November 2021 that broadly reaffirms the direction that councils set through their long-term planning. There are some new expectations over and above this that the Company will be unable to meet with the resources and budget allocated in the next two years. A table has been included in Appendix 2 attached to the report on how we have addressed expectations in the letter in this draft.
14. Overall, though, the Company does not have sufficient funding to achieve what the Company set out to achieve in its current Statement of Intent 2021-24. On balance the region is moving further away from making an impact on its desired outcomes.
15. The Company is facing very tight budgets for 2022/23 and 2023/24 which will require a reduction in our activities across the board and that will impact levels of service. This creates added uncertainty for our whānau and will affect people as well as programmes and projects at a time when as a sector we need to be ramping up.

Next steps

16. The Company will continue discussions with councils over the next four months as councils consult and decide on their annual plans, the Company reviews its activities to align with available budget, and more details emerge around transition requirements and other emerging risks and issues described above.
17. A one-month extension is being sought by the Company from the Committee to deliver the final SOI to ensure it accurately reflects the outcome of the above and the final budgets agreed in council annual plans that are generally adopted on 30 June 2022.
18. The Committee has a responsibility under its Terms of Reference to receive, consider and provide agreed feedback and recommendations to the Company on its draft SOI. Feedback is invited to be sent to Porirua City Council wendy.walker@porirua.govt.nz by Monday, 2 May 2022. We are available to attend each council's meeting to present the draft SOI.
19. Following feedback from the Committee, we will further refine the content of the document and deliver a final draft version to you by 31 July 2022.

Climate Change Impact and Considerations

20. The matters addressed in this report have been considered in accordance with the process set out in Council's [Climate Change Considerations Guide](#).
21. Wellington Water's draft Statement of Intent 2022-25 is limited in its contribution to advancing government policy regarding both climate change mitigation and adaptation due to funding constraints.

Appendices

No.	Title	Page
1	Wellington Water Initial Draft Statement of Intent 2022-25	198
2	Table Showing How Letter of Expectations has been addressed	246

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Our water, our future

Statement of Intent 2022-25

INITIAL DRAFT



Taki

He wai, he wai
He wai herenga tāngata
He wai herenga whenua
He wairua
He waioara
Tihei mauri ora!

‘Tis water, ‘tis water
Water that joins us
Water that necessitates the land
Soul of life
Life forever
‘Tis the breath of life!

Contents

Foreword	4
Who we are and what we do	5
Our shared vision for water	6
Trusted by councils, mana whenua, customers and communities.....	7
Looking after existing infrastructure	9
Supporting growth	11
Other priorities	13
Sustainable water supply and demand	13
Improving environmental water quality	14
Net carbon zero 2050	15
How we will work	16
Appendices	19
Letter of expectations	20
Department of Internal Affairs (DIA) Rules	23
Governance and shareholder information.....	32
Prospective financial statements	36
Māori to English glossary	36

INITIAL DRAFT

Foreword

Wellington Water's time as an operating business is finite as the new water entities will begin operations from 1 July 2024. The National Transition Unit is now operating, and we expect the establishment entity overseeing the planning for Entity C (which we are a part of) will be fully functioning in the coming months.

It will be a challenging time for the sector as councils participate in the water reform processes to extract and vest three water assets to the new entity and to work without water revenues. In our case, we will need to adjust to the overview of the establishment entity, the reduced need for long-term planning and the need to keep providing expert services to our customers through operations and new builds.

Our approach is always focused on partnership and careful stewardship of people. Reforms are always challenging on relationships and all the people involved need to remain engaged and looking forward to the opportunities the new entities will provide. We owe it to all our water whānau to provide certainty both up to and beyond 1 July 2024. We will work hard to build good relationships with transition units so the transition can proceed but also so that we can continue to provide services. We will be extra vigilant to work with our people to assist them through changing times and to continue to build our capability. We appreciate the government's commitment to guaranteed jobs for all water people.

The government's fiscal stimulus package of \$47.3M across our six owners finishing on 30 June 2022 has been very helpful in lifting capability and reducing risk across our networks over and above long-term plan (LTP) funding. Over the next two years however the company needs to constrain its capability back to the LTP funding levels of councils. This will put our operational budget in particular under significant pressure. Just taking inflation alone at 5.9% means less can be done with budgets planned only 18 months ago. We can be smarter though by sizing the organisation to do what is required over the next two years without overlap into the transition work programme.

The most significant area of overlap is the 2024-34 planning round, of which councils will need to pass over robust three waters plans to new entities for delivery. These plans will need to keep pace with councils drive to get capital delivery rolling at \$200M per annum.

We are very proud of what we have achieved over the last eight years. In June 2024 we want to be remembered as the company that elevated water to new levels of consciousness with the public, faced into difficult challenges and always were trusted by councils, iwi mana whenua and Māori and our customers and communities we serve.



Lynda Carroll
CHAIR OF THE BOARD



Colin Crampton
CHIEF EXECUTIVE

Who we are and what we do

Wellington Water is a shared-service, council-owned organisation owned by Wellington City, Hutt City, Porirua City and Upper Hutt City councils, Greater Wellington Regional Council and South Wairarapa District Council. We provide the following services on behalf of our owners:

- Supply drinking water – take, treat, and transport it to households and businesses.
- Manage stormwater – manage rainwater to protect people and property and working with communities to ensure that these networks are clear of contaminants as the water returns to our seas, rivers, and streams.
- Manage wastewater – take away, treat, and return the water to the environment while safely disposing of the waste.

We provide a regional perspective, take a system view of the issues, advise on investment, and then oversee councils' investment, ongoing maintenance and operations.

Our Board of Independent Directors reports to a joint committee of the councils who provide oversight of Wellington Water. This Wellington Water Committee (the Committee) sets out expectations via a Letter of Expectations each year as representatives of the shareholders (see this year's letter on page XX).

A new water services entity will replace Wellington Water from 1 July 2024

Over the next two years New Zealand's three water's sector will be undertaking a fundamental change, with the services being rationalised for delivery by four large, multi-regional entities. Entity C, that will service the Wellington region (amongst others) will take over the delivery of the services from Wellington Water from 1 July 2024.

The reform and transition process will require a significant commitment from all parties, including councils. Wellington Water faces a challenging period of ensuring uninterrupted access of our customers to the services, while preparing to pass our knowledge and people to the new, much larger Entity C that will shape the long-term strategy of water in the region.

Our values will guide us towards an effective transition

As Wellington Water prepares to pass guardianship of the region's water to Entity C it will rely more than ever on its three core values, that describe who we are and what we strive for:

- Tangata tiaki: together we protect our most precious taonga
- Whānau: united we support, connect with and respect each other
- Mana: individually, we bring our best to every situation.

Our shared vision for water

Since its inception, Wellington Water has been working towards the long-term outcomes for its customers of providing safe and healthy water services, respecting the environment, and ensuring the networks are resilient and support the economy.

Working together with our iwi mana whenua partners we have come to see that these outcomes can be considered more holistically and incorporate the outcomes required for the water and the environment. Our objective must be to restore and preserve the balance between water, the environment, and people. We can do this by giving effect to the principles of Te Mana o te Wai and recognising the vital importance of water.

From Ngā Wai Hangarua to Te Ika Rō Wai

The direction provided nationally through the principles of Te Mana o te Wai is supported at a local level and our iwi mana whenua partners continue to demand improved water quality outcomes that is evident in the two names we have been gifted. One name reflects where we are today, while the other looks to the future.

We are grateful to have received a name in te reo Māori that acknowledges our specific contribution to the water and reflects the work we are engaged in. This name is Ngā Wai Hangarua.

In a broad sense 'Ngā Wai' refers to the many rivers and streams that work their way through our catchments to the sea. These rivers and streams provide us with water for drinking and allow us to carry away the stormwater we collect to protect people's homes.

'Hangarua', with respect to water, refers to the fact that the water we care for is in an altered state from its original form. In today's urban settings, these life-giving systems are affected by the work we require of them to meet our needs. We take water from the environment, then clean and treat it before we deliver it to people to drink. We collect and treat water that's been used before returning it to the environment.

Operating in this way, the region's waterways have become out of balance. The needs of people have been put ahead of those of the water and the environment and will become unsustainable if we don't make changes. The aspirations of iwi mana whenua are to restore the balance and return the wai to a purer state. This prize is captured in another gifted name: Te Ika Rō Wai.

Achieving this state, and this name requires a healthy environment, and drives the work of those charged with caring for it. It is a journey that will take many years to complete, and that we are only just beginning.

Our plan for moving towards Te Ika Rō Wai is part of our legacy

While Wellington Water will not be around to receive this name, this aspiration is reflected in our values, the strategic priorities we are pursuing, and the planning we have undertaken. The future of the region's water no longer resides within Wellington Water but within the future Entity C.

Wellington Water has prepared a 30-year investment plan that outlines the work ahead for the region for our waters to move towards the state envisaged in the name Te Ika Rō Wai. This long-term view can act as a guide for the new entity for how the region's aspirations for water can be realised. Wellington Water intends to share this blueprint with our partners, stakeholders, and Entity C in the coming months to ensure it is recognised in 2024/34 investment planning processes.

Our priority for the next two years is on delivering our core services

The transition of our strategic and planning functions to the new entity means that our primary focus will be on the delivery of our operational and capital programme functions. Our delivery focus over the remaining two years of our operation will be on the areas prioritised by councils. This is predominantly in looking after existing infrastructure (i.e., operations, maintenance, and renewals) and completing targeted growth investments. We will progress improvements against the other strategic priorities to the extent that funding has been provided.

Trusted by councils, mana whenua, customers and communities

Viewed as a trusted advisor and operator by councils

The Wellington Water model is unique. Wherever possible, we work in partnership with councils to take regional and local perspectives. One example of this is the metropolitan drinking water network where Greater Wellington Regional Council owns the water-treatment assets, and the four city councils benefit from them.

We will continue to provide advice and support and report to councils regularly throughout the year. We will deliver what we have said we will and communicate early and clearly if something changes or impacts our ability to do so.

Partnering with iwi mana whenua

Having forged good working relationships with Taranaki Whānui ki te Upoko o te Ika and Ngāti Toa Rangatira our focus now is to build a formalised partnership around the planning work we do and the day-to-day operations we carry out.

We propose planning for the 2024-34 long-term plans be carried out in partnership with iwi mana whenua although we are still working out what that will look like. What we know is that when we present our advice to our council owners and stakeholders, we want to be standing side by side with iwi partners.

We have the same aspiration for our work in the South Wairarapa, however we have not yet built good working relationships with Ngāti Kahungunu ki Wairarapa or Rangitāne o Wairarapa. More relationship work is needed here.

Within our commitment to this partnership model, we aim to address better alignment on drinking water regulation, consenting, capital projects and workforce development. With Ngāti Toa for example we are focused on initiating a mana whenua contractor model whereby Te Rūnanga o Toa Rangatira will begin to perform maintenance and repair activities on the Porirua networks.

For our partnership with iwi to be genuine, it must be valued. Our intent is to demonstrate this value over the next two years as Wellington Water comes to its journey end. We will ensure every effort is made to facilitate the new relationships iwi will form with the new entity.

Building trust with our customers and communities

The value of water sits at the heart of our organisation, which is reflected by our value of tangata tiaki and the region's goal to ultimately be gifted the name of Te Ika Rō Wai. Trust is created via an open and transparent relationship with our customers, if we don't deliver on customers' expectations, we want to know about it. This means that our commitment to a high standard of service delivery involves comfort with owning our mistakes, investigating how we can improve and putting things right. The outcome of this is that our customers have a clear understanding of what we do and why, a primary factor in upward trends of satisfaction.

Delivering on our customer promise

The moment of truth for us and our customers is when we can't provide them with the services they need due to an unplanned outage or fault in the network. Our customer promise looks to establish a social contract by an open commitment that we will do all we can to minimise the impact to customers during disruptions to service. We will do this by being effective in the way we communicate about what they can expect from us and when, and increased responsiveness to incidents, thereby maintaining and enhancing trust.

Within our infrastructure network, the backlog of renewal requirements is translating into an increased frequency of network failures. This is reflected in the highest ever customer requests for service to attend to leaks and overflows (add statistic in here). As we continue to manage capacity issues, this increase in volume of faults has impacted our response and resolution times.

We recognise the impact that capital works programmes can have within our communities. To ensure that we derive the maximum increase in perceived value from renewals work, we will look to extend a customer promise that gives clarity about what they can expect from us and when during capital projects.

Creating an open and transparent relationship with our customers

Living to our value of mana by being open and transparent with our councils, iwi mana whenua, customers and communities is fundamental to maintaining trust. We have initiated a project that will enable transparency of information on the performance of plants and water quality through our website.

We will be open with customers and community on the outcomes of reviews when we don't get things quite right. Recently we have been proactive in sharing with the community the outcome of the independent review into the operation and management of the region's wastewater treatment plants (WWTPs). We will continue to keep customers and the community updated on improvements and changes we implement based on the review's findings in the year ahead.

How we will measure success

Measure		Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
1	The percentage of customers rating their experience of our performance as 'Satisfied' or higher improves				
2	We will meet the regulatory requirements for safe drinking water				
3	Our wastewater network will operate as expected (We will receive no abatement notices, infringement notices, enforcement notices or convictions for our wastewater resource consents, and dry-weather overflows will be less than 20 per 1000 connections across the network)				
TBC	Measure(s) for WWTP effluent discharge (to replace or complement #3)				

Looking after existing infrastructure

Water infrastructure is fundamental to the health, liveability and economic activity of our cities and towns. The region has more than \$6 billion of three-waters infrastructure to run, maintain and renew to ensure it meets the needs of current and future customers.

Our network is aging

Delivering water services is extensive and complex, encompassing a wide range of assets, from grey (pipes and other built infrastructure) to green (such as wetlands), from simple concrete channels to sophisticated treatment plants, and handling water in a range of states from freshwater to wastewater.







Over the last few years, issues with some of the most critical assets, and a noticeable increase in the number of leaks, bursts and faults has highlighted the risks and challenges associated with the existing infrastructure. Water infrastructure as old as 140 years is still in use. Other assets are failing before their designed lifetimes. Councils responded to this with their largest investment to date through their long-term plans. Despite this we are facing a sizeable backlog of work to renew the existing infrastructure this increased investment only begins to address for the region over the next two years.




Maintenance and renewal of our assets at the right time is critical to delivering value to our customers as it is our customers and the environment typically bear the impacts of faults and failures. However, maintaining or renewing assets earlier than necessary is not cost effective. Our funding and proactive management of the infrastructure across the full lifecycle – from how we create it, look after it and ultimately how we retire it at the end of its working life – needs to be improved.

We will be keeping an eye on indicators such as average asset age and the condition of infrastructure (especially for the most critical assets) to help plan our work and benchmark our performance against water sector peers. Well-performing existing infrastructure is the platform to achieve our other strategic priorities. It supports growth without loss in service quality and reduces the amount of drinking water loss and wastewater leaks to the environment. But right now, and over the next two years, we must focus on getting the basics right by understanding the condition of our assets and delivering on our funded renewals and planned maintenance programmes.







Our investment advice

Our investment advice to our councils as part of their long-term planning was to begin to address the issues in our systems and take practical steps toward achieving our long-term outcomes.

Desired impact	Our advice	LTP Y1 & Government Stimulus Funding	Change in investment	Resulting investment LTP Y2, 3 & 4
We will have a better picture of the condition and performance of our assets	Undertake health assessments of critical assets			
We slow the deterioration in asset condition	Deliver our renewals programme to reduce the existing backlog			

We will improve our asset management systems	Increase our efficiency and effectiveness in the delivery of services through regularisation of our functions			
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Regional investment level key:

 Low	 Moderate	 High
 Decrease	 No change	 Increase

Through the council long-term plan process the regional capital and operational funding for this priority has been confirmed as:

Capital Investment				Operational Investment			
2021/22 actual	2022/23 budget	2023/24 forecast	2024/25 forecast	2021/22 actual	2022/23 budget	2023/24 forecast	2024/25 forecast

For a more detailed breakdown of investment by council, refer to the prospective financial statements from page XX

Our risk profile

This investment, while an increase on previous levels, is not sufficient to catch up on overdue renewals and maintenance. The likely results are:

- The level of renewals will not overcome the renewals backlog identified so the networks will continue to get older, on average, resulting in more outages and faults and increase the extent of service interruptions experienced by customers
- In the long run we forecast the need to undertake roughly \$10 million of high criticality condition assessments annually. Once the fiscal stimulus fund has been spent, the ongoing condition assessment budget will be \$2.6 million so growth in our knowledge of the network will slow reducing our ability to make timely, efficient, and targeted investment in renewals and maintenance
- Due to the workforce shortages, we are limited in the amount of work we can do and may get behind on service requests

Overall, if the next two years of operating costs go over and above what’s budgeted for, councils will likely need to further reduce planned maintenance in favour of reactive maintenance further compounding the rates of unexpected infrastructure failure.

How we will measure success

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
4 We will complete scheduled improvements to our asset management systems, with the aim of aligning with ISO 55001 by 2024				
5 We will complete scheduled health assessments for our assets by 30 June 2022				
6 We will deliver the three-year planned renewals programme*				

*A sustained uplift is required to deliver the renewals programme. Based on risk analysis, we are taking a cumulative approach for the region over the three-year period to allow a steady build in capacity and capability

Supporting growth

Thriving communities grow over time, and new buildings in our cities require access to drinking water and wastewater networks, and protection through our stormwater network. Uninhibited growth can place additional demands on our existing infrastructure, and increases the demand for water, our discharges to the environment, and our carbon emissions.

Growth planning allows us to identify the best way to meet our city and community demands. Our activities in this area are led by our councils, who identify the areas of expected growth and direct funding for studies, growth investment plans and our participation in planning processes.

We will continue to work with our councils to understand their growth aspirations and plan our networks for the people and places that need them.

The region is set to grow quickly

The growth forecasts used in the Wellington Regional Growth Framework suggest that an extra 150,000 people – more than the existing population of the Hutt Valley – could be living in the region within the next 30 years.

Each of our councils are expecting significant growth, and at a faster rate than has been seen historically. The extent and speed of growth will put further pressure on the aging and capacity-constrained three waters infrastructure and services, and on the environment that we operate in.





Recent work to understand the growth needs in the region has identified that a step change to the system is needed to meet the needs of our people and cities, now and in the future. The current system has had only incremental capacity changes over time, and it will not be able to meet our growth needs without significant investment. Our growth studies enable the type, nature, location, and timing of this investment to be identified, prioritised and scheduled.

We will also participate at all planning levels to promote our three waters strategic priorities and water management principles in land-use decision-making frameworks, for example, national policy statements, spatial plans, district plans, growth strategies and land-use policies.

Our councils fund growth projects through the long-term plans and further recover costs through development contributions. We identify growth projects and calculate the cost allocation for developer contributions. Any planned projects will align with our regulatory, environmental, and customer expectations.

Our investment advice

Our investment advice to our councils as part of their long-term planning sought to begin to address the massive growth that Wellington is experiencing.

Desired impact	Our advice	LTP Y1 & Government Stimulus Funding	Change in investment	Resulting investment LTP Y2, 3 & 4
We will have built our understanding of growth demands	Complete growth plans for each council			
	Continue the development of the network hydraulic models to encompass all networks			
	Complete long-term network master plans with consideration of suitable growth, climate change and resilience scenarios			
We will have improved the alignment of	Help evolve design standards and council policy settings to reflect			

land use planning and infrastructure in the region	anticipated requirements	future performance			
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Regional investment level key:

🔵	Low	🟢	Moderate	🟠	High
🔴	Decrease	—	No change	🟡	Increase

Through the council long-term plan process the regional capital and operational funding for this priority has been confirmed as:

Capital Investment				Operational Investment			
2021/22 actual	2022/23 budget	2023/24 forecast	2024/25 forecast	2021/22 actual	2022/23 budget	2023/24 forecast	2024/25 forecast

For a more detailed breakdown of investment by council, refer to the prospective financial statements from page [XX](#)

Our risk profile

Without integrated growth and infrastructure planning, the region will continue to exacerbate the demand on our water services. In the short-term, localised solutions will increase, as the current networks cannot provide for new connections.

Growth plans for each council will vary in their maturity, depending on investment levels to support our determination of timing for viable options, feasibility, and strategic business case for any proposed network interventions.

Central government opened a \$1B contestable infrastructure acceleration fund (IAF) of which our councils (and developers) are seeking \$310M to contribute to three waters infrastructure. Final confirmation of funding approvals will be released mid-2022 and if approved, a significant programme of accelerated water infrastructure is proposed, particularly in Porirua City Council. We are not resourced sufficiently to respond to this.

We are receiving a sustained high volume of consents that is underpinned by a high level of change in the regulation of urban development and housing sector, increasing funding and investment for programmes of housing and infrastructure delivery, compounded by a shortage of skilled people in the market.

The scale of the challenge is such that planning for growth in our region will have to continue into medium- and long-term forecast planning.

How we will measure success

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
7 Growth plans will be developed for each council, and updated*				
8 We will input into our council's statutory planning processes related to growth (We will engage in every relevant council District Plan change, Bylaw review and Annual Plan process)				

*Growth plans will range in maturity level, depending on levels of investment

Other priorities

Sustainable water supply and demand

Reducing water consumption is vital to achieving a sustainable water supply. Since 2018 we have highlighted this, and customers continue to experience regular and extended restrictions in summer. Per capita consumption has continued to increase, likely as a result of leaks, and this, together with population growth means we will continue to be unable to meet full summer demand in the coming years.

Based on current demand levels and available population growth projections we expect the risk of shortfall to further increase until additional treatment capacity at Te Mārua is available (around 2025). That investment will only just return drought resilience to the required level of service and shortfalls from that target level can be expected within only a few years.

Our longer-term water supply risk investment advice was based around achieving a demand reduction through universal water metering enabling the deferral of investment in a significant new water source. This investment in meters has not been funded and, with increasing per capita demand we now anticipate the investment in a new source will now be required to commence within the next 10 years.

Getting on top of leakage is the demand reduction intervention that we have most control over, but is complex, costly, and time-consuming without universal metering in place to understand the extent and locations. The number of reported leaks, which are only a subset of the total leakage has been increasing as the network continues to deteriorate.

Our risk profile

With current (and increasing) per capita demand and the expected levels of population growth, the risk that the Wellington region will experience severe and prolonged water shortages will continue to increase until the Te Mārua Water Treatment Plant is upgraded. This upgrade will only restore drought resilience to the minimum level of service and further investment will be needed to hold performance within the target levels.

The fiscal stimulus fund has supported an increase in proactive leak detection, but this ends on 30 June 2022; therefore it is likely we will observe increased leakage in the network that will make an increasing contribution to the water supply risk.

While the upgrade to Te Mārua in 2024 will increase the amount of water able to be supplied, the risk of these severe water shortages will continue to increase, until we can address the consumption of water and invest in leakage management. Without this, councils will need to invest in new water sources earlier.

How we will measure success

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
9 We will slow the rate of increase in gross water consumption per capita				
10 Te Mārua water treatment plant upgrade will be completed, providing a step-change for drought resilience in the region				

Improving environmental water quality

All of the water that our customers use or receive is ultimately returned to the environment. This is done through two networks: wastewater and stormwater. These networks often have connections between them which can make it difficult to achieve the desire of returning safe, uncontaminated water to the environment.

Existing performance is poor with few, if any, streams meeting the levels that are expected to be set. Wastewater contamination reflects the age and condition of public and private pipes, either leaking or overflowing as a result of heavy rainfall, or through blockages caused by contaminants such as wet wipes. These discharges of untreated wastewater to the environment are unacceptable to our mana whenua partners, who see them as totally opposed to the principles of Te Mana o te Wai.

Stormwater contamination reflects that these systems have historically been designed to provide drainage to avoid flooding, and do not contain elements to prevent contaminants from entering the system or to treat the water prior to discharge. In many cases the stormwater alters the natural flow of water, for example hiding it in pipes or channelling flows, with detrimental impacts on the supported ecosystems.

Our risk profile

The company can only address human health issues reactively and complete limited proactive investigations for Hutt City, Wellington City and Porirua City councils funded in 2021/22.

To meet the water quality targets for human health in the government’s Freshwater Policy Statement we would need to be addressing water quality issues proactively at the rate of 5% of catchments per annum for 20 years. Waitua outcomes, as they manifest through anticipated changes to the region’s Natural Resources Plan (NRP) are expected to require improvements to be achieved more rapidly, for both human and environmental health outcomes, with a priority focus on specific catchments.

At the current level of investment, councils are carrying an increasing risk of not meeting the targets for human and environmental health that will be set in the NRP and, within Upper Hutt, not meeting the current global stormwater consent. South Wairarapa is not included in the global stormwater consent.

How we will measure success

Measure		Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
11	Targeted investigations and potential interventions at select catchments (e.g., drainage investigation teams) will demonstrate improved water quality				

Net carbon zero 2050

The region’s response to climate change will need to include mitigation (reducing our emissions) and adaptation (managing the impacts of climate change). Our mitigation activities need to cover our operational emissions and the emissions resulting from our capital investment.

We understand the source and scale of our operational emissions and have some sense of what is required to reduce them. The emissions for our capital programme has been baselined, enabling us to begin to pursue opportunities to reduce them.

Our risk profile

In the next three years, operational emissions are likely to increase with population growth. To contribute to the national target of net zero emissions by 2050, a 3% net reduction in carbon will be required year on year.

The company have limited funding to undertake carbon reduction activity in the next three years¹ and therefore the amount of reduction activities will need to increase exponentially in future years.

There is a limited understanding of the impacts of climate change on the assets and services. This increases the risk that investment planning is not adequately incorporating these impacts.

How we will measure success

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
12 We will baseline our capital emissions, and set targets for reductions in future statements of intent				

¹ The Sludge Minimisation Plant at Moa Point will reduce Wellington City emissions but is being funded and delivered by Wellington City Council with technical input from Wellington Water.

How we will work

Water reform was confirmed for all councils in October 2021 and continues to present a time of uncertainty for the company. As the national and regional transition units come into effect and Entity C is formed there will be competing demands on our people.

During this period of change and transition Wellington Water must deliver the region's core services while responding to the changing operating environment. Ensuring that our whānau remain engaged in their work and that their health and wellbeing is protected is of paramount importance.

Our day-to-day operations

Over the next two years Wellington Water will continue to provide day-to-day services of supplying drinking water and managing waste and stormwater and protecting the environment from our activities.

We expect all our work to be undertaken within environmental consents and we strive to do better than those standards where we can. We provide evidence-based advice to councils on policy, land-use and resource.

As we implement the recommendations resulting from the review of the region's wastewater treatment plant operations, we do carry an ongoing risk of non-compliance. This also applies to a number of water assets we manage that are close or at capacity.

All the services we provide are assessed against a standard set of mandated Rules developed by the Department of Internal Affairs in 2013.

These measures and the individual targets set by each council are provided in Appendix 2.

Delivering the capital programme through to 30 June 2024

The councils' work programmes in their long-term plans for the next two years amount to around \$409 million on three waters capital projects and \$153 million on maintenance and operation.

We're fortunate to have a team of companies dedicated to three waters design and construction and our network service alliance. The members of these panels have an enduring relationship with Wellington Water that means we can count on their continued focus on three waters and support their willingness to invest in the resources necessary to deliver our councils investment programmes. We're really pleased to have recently welcomed a new, national-scale delivery contractor into our panel, HEB Construction, to help deliver this increased investment.

There are several major projects and catchment renewals programmes going through procurement and contract award approvals over the next 12 months and we expect to see an increase in stability across our 2022/23 and 2023/24 programmes as a result. This will introduce significant regular monthly spend over multiple financial years, and a move towards delivering project outcomes on a larger scale for our communities.

The stimulus funded "Fast-Track Catchment Renewals Programme" is now complete. The programme has succeeded in increasing the use of trenchless technology and delivering improvement in our cost per metre. We have a number of programmes that will move into construction in the next two years that will adopt this fast-track approach.

With rising costs of materials and labour, interruption in the supply chain, and general capacity and capability limitations in the sector, we are building less for more, and with longer lead in periods, while the aging network is revealing itself with an increasing backlog of planned and reactive maintenance and repairs. The biggest risk to our programme delivery is the ongoing impacts of the COVID-19 pandemic and the high likelihood that sites are shut down due to illness or close contact isolation.

Being ready for increased regulation

As a company, we support Taumata Arowai's mandate to promote performance improvements in the three waters sector and better outcomes for all New Zealanders. We are focused on ensuring our systems and processes meet or exceed the new standards to be introduced on 1 July 2022 and give meaningful representation to Te Mana o Te Wai.

Our work will include establishing a detailed baseline understanding of the company's capability versus regulatory requirements and a plan to improve the company's regulatory position.

We will continue to support Taumata Arowai with industry knowledge and tools as it becomes operational as the water regulator for Aotearoa. We will also be developing tools to help standardise regulatory capability due diligence that can be used by other councils.

Ensuring an effective transition

Over the next two years the National Transition Unit (NTU) will be establishing nationally consistent operational frameworks for the new water services entities that will be implemented by the local establishment entity that becomes Entity C.

We will engage with both the NTU and local entity to ensure that our work is not overlapping with theirs, and so that any data, systems, and processes being adopted by the new entity align with their expectations. We will work to simplify our business focus through the transition and will not pursue projects and developments that are not expected to have enduring value for our customers under the new operating model.

Delivering an excited and engaged people capability

We expect that the formation of Entity C in addition to the sector-wide capacity and capability challenges will see unprecedented churn in our people and an overlapping of functions and responsibilities. By reducing our activity to delivering on the basics over the next two years we will give our whānau the space to work alongside the National Transition Unit to ensure the right outcomes for councils, government and Wellington Water. The government's timeframe for this transition is narrow with much to do to get Entity C stood up and operating from 1 July 2024.

In these times of change a capable, adaptive, and resilient workforce is vital for success. Our goal is to support people through this change and help them build the right skills, so they have confidence in their future. We will support organisational growth through identifying capability gaps needed for new and existing service delivery and regulatory demands, continue to recruit the right talent, and improve frontline technical expertise. We have welcomed XX of the XX (to be confirmed) participants into our whānau from our Infrastructure Skills Centre, as we build our internal capabilities and support the growing work needed on our infrastructure.

Our values of tangata tiaki, whānau and mana will hold us in good stead as we respond to the dynamic environment around us and look after the wellbeing of our people. We will continue to embed the values that guide us throughout the organisation and into the wider Wellington Water whānau – our staff, alliance partner, and consultant and contractor panels.

We are committed to building capability, knowledge and understanding of Māori history and heritage and understanding of the principles of Te Tiriti o Waitangi. A learning programme has been established, Ki Te Whaiao, with a focus on Te Ao Māori, Tikanga and Te Reo and will run initially for the first six months of this year before being reviewed.

Continuing to focus on health and safety engagement, participation, and accountability is also a focus for us to ensure critical risks are controlled and managed.

How we will measure success

Measure	Result 2021/22	Target 2022/23	Target 2023/24	Target 2024/25
13 We will deliver our capital programme inside our expected range (2021/22: \$145m – \$189m)				
14 We will meet all of the disclosure requirements of Taumata Arowai				
15 Health and safety critical risks are reviewed, and improvements are implemented.				

16	Our people understand the upcoming changes in the water sector and feel well supported by the organisation				
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INITIAL DRAFT

Appendices

INITIAL DRAFT

Letter of expectations



c/-Hutt City Council
Private Bag 31 912
Lower Hutt 5040

14 December 2021

Lynda Carroll
Chair
Wellington Water Ltd Board
Private Bag 39804
Wellington Mail Centre

Dear Lynda

Expectations of Wellington Water Ltd for the period 2022-25

This letter sets out the priorities and expectations of the six owner councils and iwi mana whenua to inform the development of Wellington Water's (the company) Statement of Intent for 2022-2025.

This year has presented some practical difficulties in establishing the expectations of the owner councils and our iwi mana whenua. The challenges of Covid loom large, councils have had a busy time finalising their Long Term Plans and the Government's water reform programme is gathering pace with a recent decision to make inclusion in one of the four entities mandatory. Iwi have also had a busy year. Minimal consultation has therefore occurred to confirm Wellington Water priorities for the year ahead. However it is clear that these same issues have their place in the coming year for the effective operation of Wellington Water.

Our expectations over the next year are:

- **Performance** – delivering business-as-usual efficiently and to agreed performance standards and delivering an ambitious capital programme including any fiscal stimulus funding provided.

Following the company's advice to owner councils in preparing their 2021-31 long term plans, the company faces its largest programme of capital works ever. To deliver on this, it must scale up across its supply chain, including internally. At the same time, the infrastructure and construction sectors are experiencing supply constraints and historically high levels of activity, in a time of increased uncertainty due to Covid-19. These factors combine to create considerable risk around the deliverability and management of costs of the programme. We expect the company to be clear and realistic in setting programmes that will meet council expectations for the coming three years, while at the same time ensuring its reporting processes can effectively signal, in a timely fashion, any significant changes that may arise.

Managing programmes, budgets and deliverability over the over the next 3 years is critical. We are pleased to see the resolution of a number of outstanding performance and reporting issues, we urge the company to continue to pursue improvements in its performance management systems.

We expect to see further clarity, development and performance reporting against the value for money work previously undertaken by the company and the benefits shared to the shareholders.

- **Demand Management** - The shareholders remain committed to reducing the water usage across the network at both a whole of supply level and an individual household level. Continued emphasis on the initiatives and support for this work should be demonstrated in the Statement of Intent.
- **Climate Change** - We support the continued efforts of Wellington Water to meet the shareholders individual and collective demands on carbon reduction. We would like to see continued commitment and reporting on carbon reduction in the Statement of Intent.
- **Planning** – With the new water entities targeted to open for business in July 2024, there is significant pressure to develop respective council’s inputs to a new investment plan (a proxy for the next Long Term Plan) and asset management plans with a 10-30 year horizon to ensure a smooth transition for priorities and work programmes in the next 3-10 years.

We expect a continued focus on asset management processes to improve data on asset condition and achieve greater certainty about future investment requirements.

We expect you to continue to use the five strategic priorities as a framework for three waters planning and advice, while at the same time having a view to the concerns and requirements of individual council owners, such as resilience to natural shocks and climate change, and the vision set out in the 30 year plan.

The five priorities are:

1. Looking after existing infrastructure
2. Supporting growth
3. Ensuring a sustainable supply of water
4. Improving environmental water quality
5. Reducing carbon emissions and being resilient to climate change

We expect this process to fully engage councils and iwi mana whenua. Planning should be undertaken guided by the principles of the journey to Te Ika rō Wai and restoring the balance of te ao wai, te ao taiao, and te ao tangata; and te mana o te wai.

Budget increases (both operating and capital) should be signalled early so that council’s statutory planning and budgetary processes can respond in a timely way.

- **Responding to change** - The Government’s 3 Water reform programme means that the next few years will be a time of significant change.
 - i. The company has significant work to do to meet the expectations of the new regulator, Taumata Arowai. We look forward to the company improving its transparency of assurance reporting, and to ensuring it meets or exceeds the regulator’s expectations of reporting.
 - ii. In addition the 3 Waters reform will soon shift gear from policy to implementation. Our expectations are that you:
 - support owner council’s through the policy/design phase of reform to input to the Government’s program of work
 - focus on workforce retention and delivery of the Long Term Plan agreed work programme
 - ready Wellington Water for the impending change through a robust change process
- **Relationship with mana whenua** – mana whenua have relationships with both councils and with Wellington Water Limited:

- iii. Mana whenua have working relationships and Memoranda of Understanding with councils to enable iwi to participate in prioritisation and investment decisions about 3 waters infrastructure (articulated in Long Term Plans and Annual Plans)
- iv. At a governance level on the Wellington Water Committee mana whenua representatives sit alongside elected members, monitoring performance, appointing board members and overseeing the effectiveness of the delivery model and general governance oversight
- v. There is a requirement for skills around Te Ao Māori on the Board (not specifically a mana whenua requirement but one of the current board is mana whenua)
- vi. the company are building capability in-house on Te Ao Māori

We expect the company to continue to evolve this model of working with iwi to improve the overall effectiveness of the company and its delivery on Te Mana o te Wai.

- **Customer** - We continue to be interested in the company improving its customer focus through the way it problem solves with and for communities, communicates about its work and resolves customer issues.
- **Accountability** – Wellington Water has a number of accountability obligations. These include to:
 - vii. Owner Councils – through both formal and informal means including a regular programme of briefings and regular performance reports to councils
 - viii. Iwi – through Wellington Water Committee representatives and their iwi
 - ix. Customers – through responsive communication and delivery of work as agreed
 - x. Taumata Arowai – as it develops a rigorous monitoring programme

We expect these accountability requirements to be fulfilled transparently and systematically.

- **Innovation** – We expect the company to keep abreast of innovations and value-add initiatives in the water sector to reduce cost, improve speed of delivery, ensure climate change targets are met and environmental improvements are delivered. Innovation should include a continued focus on internal efficiencies.
- **Workforce and supply chain pressures** – Our people are our greatest asset. With impacts from Covid-19, uncertainty around the future and competing market demands, managing a stable, engaged and productive workforce is a challenge. This is true for both Wellington Water staff and those people who work for your suppliers and contractors. We expect you to develop strategies that will ensure that you are an employer of choice through changing times.
- **Health and Safety** - We expect that you will place above all else the safety and welfare of your people and those affected by your activities.

I look forward to receiving a draft of Wellington Water's Statement of Intent by Tuesday 1 March 2022.

Yours sincerely



Campbell Barry
Chair
Wellington Water Committee

Department of Internal Affairs (DIA) Rules

The DIA has the power to make rules specifying non-financial performance measures (the Rules) for local authorities. These Rules are consistent across the country, and therefore across all of our councils. Each council is responsible for setting targets for each Rule, and then Wellington Water report against the targets throughout the year. The below table sets out the Rules and the targets for the year ahead:

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
Part 2: Sub-part 1 - Water supply	<p>(1) Performance measure 1 (safety of drinking water)</p> <p>The extent to which the local authority's drinking water supply complies with:</p> <p>(a) part 4 of the drinking-water standards (bacteria compliance criteria),</p>	Compliant	Compliant*	Compliant	Compliant*	Compliant	Compliant*
Part 2: Sub-part 1 - Water supply	<p>(1) Performance measure 1 (safety of drinking water)</p> <p>The extent to which the local authority's drinking water supply complies with:</p> <p>(b) part 5 of the drinking-water standards (protozoal compliance criteria).</p>	Compliant	Compliant	Compliant	Compliant*	Compliant	Compliant*
Part 2: Sub-part 1 - Water supply	<p>(2) Performance measure 2 (maintenance of the reticulation network)</p> <p>The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).</p> <p>¹ Calculated as a regional mean value</p>	+/- 0.25%	< 20% ¹	< 20% ¹	< 30%	< 17% ¹	< 20% ¹
Part 2: Sub-part 1 -	<p>(3) Performance measure 3 (fault response times)</p>	≤ 90 min	≤ 90 min	≤ 60 min	< 75% attendance in < 1 hour	≤ 60 min	≤ 90 min

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
Water supply	<p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured</p> <p>(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site,</p>						
Part 2: Sub-part 1 - Water supply	<p>(3) Performance measure 3 (fault response times)</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured</p> <p>(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.</p>	≤ 8 hours	≤ 8 hours	≤ 4 hours	< 90% resolution in 8 hours	4 hours	8 hours
Part 2: Sub-part 1 - Water supply	<p>(3) Performance measure 3 (fault response times)</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured</p> <p>(c) attendance for non-urgent call-outs: from the time that the local authority</p>	≤ 72 hours	≤ 20 days	≤ 36 hours	≥ 75% attendance in < 2 working days	≤ 36 hours	≤ 72 hours

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	receives notification to the time that service personnel reach the site						
Part 2: Sub-part 1 - Water supply	<p>(3) Performance measure 3 (fault response times)</p> <p>Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured</p> <p>(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</p>	≤ 20 days	≤ 20 days	≤ 15 days	≥ 75% resolved in < 5 working days	5 days	20 working days
Part 2: Sub-part 1 - Water supply	<p>(4) Performance measure 4 (customer satisfaction)</p> <p>The total number of complaints received by the local authority about any of the following:</p> <p>(a) drinking water clarity</p> <p>(a) drinking water taste</p> <p>(b) drinking water odour</p> <p>(c) drinking water pressure or flow</p> <p>(d) continuity of supply, and</p> <p>(e) the local authority's response to any of these issues</p>	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections (Except (e))	< 75 per 1000 connections (Except (e))	< 20 complaints per 1000 connections	< 20 complaints per 1000 connections

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	expressed per 1000 connections to the local authority's networked reticulation system						
Part 2: Sub-part 1 - Water supply	(5) Performance measure 5 (demand management) The average consumption of drinking water per day per resident within the territorial authority district	375L	320L	415L	400L	365L	385L
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(1) Performance measure 1 (system and adequacy) The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.	N/A	< 20 per 1000 connections	< 20 per 1000 connections	< 10 per 1000 connections	Zero	< 20 per 1000 connections
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(2) Performance measure 2 (discharge compliance) Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices received by the territorial authority in relation to those resource consents	N/A	Nil	Nil	< 2	Nil	Nil
Sub-part 2 – Sewerage and the treatment	(2) Performance measure 2 (discharge compliance) Compliance with the territorial authority's resource consents for discharge from its	N/A	Nil	Nil	Nil	Nil	Nil

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
and disposal of sewage	sewerage system measured by the number of: (b) infringement notices received by the territorial authority in relation to those resource consents						
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(2) Performance measure 2 (discharge compliance) Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (c) enforcement orders received by the territorial authority in relation to those resource consents	N/A	Nil	Nil	Nil	Nil	Nil
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(2) Performance measure 2 (discharge compliance) Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (d) convictions received by the territorial authority in relation to those resource consents	N/A	Nil	Nil	Nil	Nil	Nil
Sub-part 2 – Sewerage and the treatment	(3) Performance measure 3 (fault response times) Where the territorial authority attends to sewerage overflows resulting from a	N/A	≤ 60 min	≤ 60 min	≥ 70% resolved in < 1 hour	≤ 1 hour	≤ 90 min

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
and disposal of sewage	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						
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(3) Performance measure 3 (fault response times) 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: (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.	N/A	≤ 6 hours	≤ 6 hours	≥ 75% resolved in < 4 hours	≤ 6 hours	8 hours
Sub-part 2 – Sewerage and the treatment and disposal of sewage	(4) Performance measure 4 (customer satisfaction) 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,	N/A	< 30 total	< 30 complaints per 1000 connections	< 60 per 1000 connections	< 30 complaints per 1000 connections	< 30 complaints per 1000 connections

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	expressed per 1000 connections to the territorial authority's sewerage system						
Sub-part 3 – Stormwater drainage	<p>(1) Performance measure 1 (system adequacy)</p> <p>(a) The number of flooding events that occur in a territorial authority district</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	2	Zero	0*	2	2
Sub-part 3 – Stormwater drainage	<p>(1) Performance measure 1 (system adequacy)</p> <p>(b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)</p> <p>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 2020/21.</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	0.57	Zero	0*	0.13	0.24
Sub-part 3 – Stormwater drainage	<p>(2) Performance measure 2 (discharge compliance)</p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(a) abatement notices</p>	N/A	Nil	Nil	Nil	Nil	Nil*

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	received by the territorial authority in relation to those resource consents						
Sub-part 3 – Stormwater drainage	<p>(2) Performance measure 2 (discharge compliance)</p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(b) infringement notices</p> <p>received by the territorial authority in relation to those resource consents</p>	N/A	Nil	Nil	Nil	Nil	Nil*
Sub-part 3 – Stormwater drainage	<p>(2) Performance measure 2 (discharge compliance)</p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:</p> <p>(c) enforcement orders</p> <p>received by the territorial authority in relation to those resource consents</p>	N/A	Nil	Nil	Nil	Nil	Nil*
Sub-part 3 – Stormwater drainage	<p>(2) Performance measure 2 (discharge compliance)</p> <p>Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of</p> <p>(d) convictions</p>	N/A	Nil	Nil	Nil	Nil	Nil*

DIA Part/Sub Part	Measures	Targets					
		GWRC	PCC	UHCC	SWDC	WCC	HCC
	received by the territorial authority in relation to those resource consents						
Sub-part 3 – Stormwater drainage	<p>(3) Performance measure 3 (response times)</p> <p>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.</p> <p>*SWDC does not have a stormwater system as defined in the DIA Rules</p>	N/A	≤ 8 Hours	≤ 60 minutes	95% within 5 hours	≤ 60 minutes	8 hours
Sub-part 3 – Stormwater drainage	<p>(4) Performance measure 4 (customer satisfaction)</p> <p>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.</p>	N/A	< 20 per 1000 connections	< 20 per 1000 connections	Zero**	< 20 per 1000 connections	< 20 per 1000 connections

*These targets are worded significantly differently in the councils' LTP, but are measuring substantially the same issue

**SWDC does not have a stormwater system as defined by the DIA

Governance and shareholder information

WELLINGTON WATER COMMITTEE

The Wellington Water Committee (the Water Committee) is a joint committee of our councils under the Local Government Act 2002 and provides governance oversight of Wellington Water.

It does this by considering the company's Half-Year and Annual Reports, monitoring performance, recommending directors for appointment, and providing recommendations to shareholders on proposals.

Each shareholder holds an equal percentage of the voting shares ('A' shares) of Wellington Water.

The Water Committee writes an annual Letter of Expectations to Wellington Water's Board of Directors, which outlines key priorities and areas of focus. It is used to guide the development of our Statement of Intent. The Committee comprises:



Mayor Campbell Barry
Water Committee Chair
HUTT CITY COUNCIL



Mayor Wayne Guppy
Water Committee Deputy Chair
UPPER HUTT CITY COUNCIL



Mayor Anita Baker
PORIRUA CITY COUNCIL



Councillor Sean Rush
WELLINGTON CITY COUNCIL



Councillor Josh van Lier
GREATER WELLINGTON REGIONAL
COUNCIL



Mayor Alex Beijen
SOUTH WAIRARAPA DISTRICT
COUNCIL

The Water Committee has appointed two iwi partners to the Committee: Lee Rauhine-August of Taranaki Whānui ki te Upoko o te Ika and Miria Pomare of Te Rūnanga o Toa Rangatira. Nerida Hooper acts as an observer on the Committee on behalf of South Wairarapa District Council's Māori Standing Committee.

Information to be provided to shareholders

In each year, Wellington Water shall comply with the reporting requirements of the Local Government Act 2002 and the Companies Act 1993 and regulations. In particular, Wellington Water will provide:

- A Statement of Intent, detailing all matters required under the Local Government Act 2002, including financial information for the next three years;

- Within two months after the end of the first half of each financial year, a report on the operations of Wellington Water to enable an informed assessment of its performance, including financial statements (in accordance with section 66 of the Local Government Act 2002); and
- Within three months after the end of each financial year, an Annual Report, which provides a comparison of its performance with the Statement of Intent, with an explanation of any material variances, audited consolidated financial statements for that financial year, and an auditor's report (in accordance with sections 67, 68, and 69 of the Local Government Act 2002).

Share acquisition

There is no intention to subscribe for shares in any other company or invest in any other organisation.

Compensation from local authority

It is not anticipated that the company will seek compensation from any local authority other than in the context of management services agreements and the shareholders' agreements with client councils.

Equity value of the shareholders' investment

The total shareholders' equity is estimated to be valued at \$1 million as at 31 December 2021. This value will be assessed by the directors on completion of the annual accounts or at any other time determined by the directors. The method of assessment will use the value of shareholders' funds as determined in the annual accounts as a guide.

Ratio of consolidated shareholders' funds to total assets

The ownership of infrastructural assets is retained by the shareholders (or other clients). The business returns all benefits to shareholders; the ratio of shareholders' funds to assets is provided in Appendix 4.

WELLINGTON WATER BOARD OF DIRECTORS

All directors must be independent and are selected by the Water Committee in accordance with the Board's skill matrix. Each director can serve a maximum of two terms, or six years, unless agreed by the Water Committee.

The Board is responsible for the direction and control of Wellington Water Limited. The Chair of the Board reports to the Water Committee. The Board approves strategy, ensures legal compliance, and monitors Wellington Water's performance, risks, and viability.

The Board's approach to the governance of the company is to establish with management (and in consultation with shareholders) clear strategic outcomes that drive performance. The Board is mindful of the significant investment by its shareholder councils in its operations, and of the need to preserve, grow, and demonstrate shareholder value and regional prosperity through the provision of its three waters services.

The Board will ensure that the company focuses on the priorities set out in the shareholders' Letter of Expectations. More broadly, it will ensure the company is mindful of the councils' strategic priorities set out in their long-term plans and focuses on those that are relevant to the company's objective to provide leadership to the region. The Board is also mindful of its relationship with the Water Committee and how both the Board and the Water Committee influence the company in different ways.

Our Board supports and empowers our management team to deliver and report on performance using a 'no surprises' approach, by creating an environment of trust where information is freely available, decision-making is transparent, and strategic conversations provide insights and guidance for the company. Consistent with a high-performance organisation, Board members challenge management (and other Board members) to keep a healthy culture of inquiry and openness.

Board of Directors	Appointed to
	Lynda Carroll, Chair
	1 July 2024

	Philip Barry	30 June 2022
	Kim Skelton	1 September 2023
	Mike Underhill	1 September 2023
	Leanne Southey	1 July 2024

WELLINGTON WATER LIMITED

Wellington Water is a council-controlled organisation as defined by section 6 of the Local Government Act 2002. Wellington Water is also covered by the Companies Act 1993 and governed by law and best practice. The Shareholders' and Partnership Agreement relating to Wellington Water outlines the way the shareholders manage their shareholdings in Wellington Water and their respective relationships with each other.

The principal objectives of Wellington Water as set out in our Constitution are to:

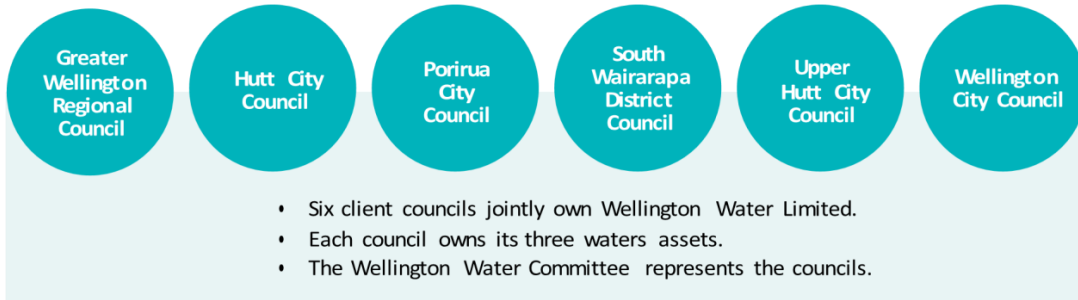
- Manage drinking-water, wastewater, and stormwater services in the greater Wellington region for local authority shareholders;
- Achieve the objectives of its shareholders;
- Be a good employer;
- Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the company operates and by endeavouring to accommodate or encourage these when able to do so; and
- Conduct its affairs in accordance with sound business practice.

We employ around 250 staff and provide drinking-water, stormwater, and wastewater services to customers on behalf of our shareholders.

To do this, we manage annual expenditure of approximately \$200 million (based on the 2021/22 budget) to maintain and develop water assets with a replacement value of approximately \$6.1 billion. We also provide investment advice on the future development of the three waters assets and services.

Each shareholding client council owns its own three waters assets (pipes, pump stations, reservoirs, and treatment plants), and decides on the level of service it will purchase from us, the policies it will adopt, and the investments it will make (after considering our advice) in consultation with its community.







We operate under the Companies Act 1993 and the Local Government Act 2002 and comply with the Health Act 1956, the Drinking-water Standards for New Zealand (revised 2018), and other legislation such as the Resource Management Act 1991, the Wellington Regional Water Board Act 1972, and the Health and Safety at Work Act 2015.



↕ Service level agreements, pricing and policies ↕

Wellington Water Limited

- **Network Strategy and Planning:** asset planning, information management, education.
- **Network Development and Delivery:** project design, work programme management.
- **Customer Operations:** network operations, service delivery, customer service.
- **Network Management:** treatment facilities, quality control, innovation.
- **Business Services:** financial, procurement, business support, communications, planning & performance.
- **Chief Executive Office:** company strategy, leadership.

Senior Leadership Team		Senior Leadership Team	
	Colin Crampton Chief Executive		Julie Alexander Group Manager Network Strategy and Planning
	Tonia Haskell Group Manager Network Development and Delivery		Jeremy McKibbin Group Manager Network Management
	Mark Ford Group Manager Business Services		Kevin Locke Group Manager Customer Operations
Charles Barker Director of Regulatory Services			

Prospective financial statements

Wellington Water receives annual management fees from its six client councils. These cover operating expenses such as employee costs, vehicle costs, directors' fees, and depreciation.

Funding is also received for the council work programme. This work programme (capex and opex) is managed by Wellington Water employees. The planned spend in the next three years is \$591 million on three waters capital projects and \$233 million on three waters infrastructure maintenance and operation.

Wellington Water adopts a no surprises approach. Regular forecasting and ongoing communication with our client and shareholder representatives enable us to achieve this.

The summary financials below support the delivery of our three customer outcomes, safe and healthy water; respectful of the environment; and resilient networks that support our economy.

The financials in this Statement of Intent are draft and include a number of assumptions which are subject to change. Final council budgets had not been adopted at the time of preparation.

INITIAL DRAFT

Prospective Statement of Comprehensive Revenue and Expenses

	Projection 2023 \$000	Projection 2024 \$000	Projection 2025 \$000
Council work programme	277,072	274,805	272,100
Management & advisory services	20,359	21,932	21,932
Other revenue	50	50	50
Total revenue	297,481	296,788	294,082
Council capex expenditure	(201,931)	(197,225)	(191,535)
Council opex expenditure	(75,141)	(77,580)	(80,565)
Salaries and wages	(27,200)	(27,880)	(29,552)
Direct costs charged to capex programme	8,550	8,764	9,289
Direct costs charged to opex programme	8,442	8,653	9,173
Superannuation	(802)	(822)	(871)
Directors fees	(158)	(158)	(158)
Audit - financial statements	(107)	(109)	(109)
Operating leases	(1,188)	(1,212)	(1,284)
Other personnel costs	(827)	(848)	(899)
Other expenditure	(6,020)	(7,271)	(6,471)
Depreciation and amortisation	(1,100)	(1,100)	(1,100)
	(297,481)	(296,788)	(294,082)
Surplus/(deficit) before tax	-	-	-
Tax (expense)/credit	-	-	-
Total comprehensive revenue and expenses	-	-	-

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

Prospective Statement of Changes in Equity

	Retained Earnings \$000	Issued Capital \$000	Total \$000
Balance at 1 July 2022	710	1,000	1,710
Comprehensive revenue and expenses			
Net surplus/(deficit) for the year	-	-	-
Projected balance at 30 June 2023	710	1,000	1,710
Balance at 1 July 2023	710	1,000	1,710
Comprehensive revenue and expenses			
Net surplus/(deficit) for the year	-	-	-
Projected balance at 30 June 2024	710	1,000	1,710
Balance at 1 July 2024	710	1,000	1,710
Comprehensive revenue and expenses			
Net surplus/(deficit) for the year	-	-	-
Projected balance at 30 June 2025	710	1,000	1,710

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

Prospective Statement of Financial Position

	Projection 2023 \$000	Projection 2024 \$000	Projection 2025 \$000
Cash and cash equivalents	6,459	7,428	7,713
Receivables and prepayments	16,828	16,435	15,961
Total current assets	23,287	23,863	23,674
Intangible assets	289	289	289
Property, plant and equipment, vehicles	1,950	1,950	1,950
Deferred tax	409	409	409
Total non-current assets	2,648	2,648	2,648
Total assets	25,934	26,511	26,322
Payables and provisions	22,512	23,089	22,900
Employee entitlements	1,565	1,565	1,565
Tax payable/(receivable)	121	121	121
Total current liabilities	24,198	24,775	24,586
Employee entitlements	26	26	26
Total non-current liabilities	26	26	26
Total liabilities	24,224	24,801	24,612
Net assets	1,710	1,710	1,710
Issued capital	1,000	1,000	1,000
Retained earnings	710	710	710
Total equity	1,710	1,710	1,710
Shareholder equity ratio	7%	6%	6%

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

Prospective Statement of Cash Flows

	Projection 2023 \$000	Projection 2024 \$000	Projection 2025 \$000
Receipts from customers	303,358	297,130	294,506
Interest received	50	50	50
Employees and suppliers	(325,908)	(295,211)	(293,271)
Net cash flow from operating activities	(22,500)	1,969	1,285
Purchase of intangibles	(400)	(400)	(400)
Purchase of property, plant and equipment, vehicles	(600)	(600)	(600)
Net cash flow from investing activities	(1,000)	(1,000)	(1,000)
Net cash flow from financing activities	-	-	-
Net cash flow	(23,500)	969	285
Add: cash at the beginning of the year	29,959	6,459	7,428
Cash at the end of the year	6,459	7,428	7,713
Comprised of:			
Cash at bank and on hand	6,459	7,428	7,713

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

Prospective council capital programme

Council	Water	2021_22	2022_23	2023_24	2024_25
Greater Wellington	Drinking Water	\$22,269,194	\$23,054,342	\$13,734,558	\$20,622,298
Greater Wellington	Drinking Water	\$132,000	\$526,280	\$58,000	\$4,128,017
Greater Wellington	Drinking Water	\$6,316,000	\$14,615,600	\$15,274,400	\$4,414,000
Greater Wellington	Drinking Water	\$11,223,040	\$132,680	\$399,600	\$8,546,000
Greater Wellington Total		\$39,940,234	\$38,328,902	\$29,466,558	\$37,710,315
Hutt City	Drinking Water	\$10,294,452	\$7,481,052	\$8,382,745	\$8,620,754
Hutt City	Drinking Water	\$993,600	\$1,577,318	\$1,880,410	\$17,673,552
Hutt City	Drinking Water	\$977,400	\$388,800	\$324,000	\$324,000
Hutt City	Drinking Water	\$257,796	\$2,644,164	\$324,000	\$2,862,000
Hutt City	Stormwater	\$1,261,008	\$2,373,408	\$2,307,555	\$2,431,918
Hutt City	Stormwater	\$54,000	\$54,000	\$54,000	\$54,000
Hutt City	Stormwater	\$291,600	\$291,600	\$291,600	\$540,000
Hutt City	Stormwater	\$2,244,508	\$1,281,108	\$162,000	\$0
Hutt City	Wastewater (excl JV)	\$7,907,112	\$12,332,751	\$9,575,039	\$10,732,500
Hutt City	Wastewater (excl JV)	\$345,600	\$1,838,700	\$1,838,700	\$837,000
Hutt City	Wastewater (excl JV)	\$0	\$107,460	\$562,140	\$81,000
Hutt City	Wastewater JV	\$2,384,189	\$8,472,892	\$18,433,724	\$9,623,509
Hutt City	Wastewater JV	\$0	\$0	\$0	\$0
Hutt City	Wastewater JV	\$12,472,000	\$9,500,000	\$0	\$0
Hutt City	Wastewater JV	\$0	\$0	\$0	\$0
Hutt City Total		\$39,483,265	\$48,343,254	\$44,135,913	\$53,780,234
Porirua City	Drinking Water	\$3,312,620	\$2,220,480	\$4,377,403	\$1,944,165
Porirua City	Drinking Water	\$2,590,596	\$16,833,846	\$14,541,766	\$15,315,509
Porirua City	Drinking Water	\$658,800	\$745,200	\$216,000	\$216,000
Porirua City	Drinking Water	\$0	\$0	\$0	\$270,000
Porirua City	Stormwater	\$485,352	\$404,352	\$243,756	\$254,772
Porirua City	Stormwater	\$4,470,451	\$10,108,000	\$11,108,000	\$1,000,000
Porirua City	Wastewater (excl JV)	\$2,889,104	\$5,143,204	\$14,948,213	\$16,777,308
Porirua City	Wastewater (excl JV)	\$3,070,801	\$0	\$1,620,000	\$1,296,000
Porirua City	Wastewater JV	\$7,624,437	\$1,971,211	\$434,207	\$1,047,396
Porirua City	Wastewater JV	\$13,215,847	\$14,604,057	\$18,754,491	\$0
Porirua City	Wastewater JV	\$0	\$250,000	\$750,000	\$0
Porirua City Total		\$38,318,008	\$52,280,350	\$66,993,837	\$38,121,149
South Wairarapa	Drinking Water	\$1,880,800	\$513,200	\$467,200	\$1,093,800
South Wairarapa	Drinking Water	\$21,600	\$0	\$0	\$199,800
South Wairarapa	Drinking Water	\$432,000	\$1,432,000	\$3,700,000	\$3,700,000
South Wairarapa	Stormwater	\$0	\$0	\$1,000,000	\$0
South Wairarapa	Stormwater	\$10,800	\$0	\$0	\$10,800
South Wairarapa	Wastewater (excl JV)	\$2,868,500	\$1,773,200	\$1,994,660	\$9,030,058
South Wairarapa	Wastewater (excl JV)	\$10,800	\$216,000	\$0	\$2,170,800
South Wairarapa Total		\$5,224,500	\$3,934,400	\$7,161,860	\$16,205,258
Upper Hutt City	Drinking Water	\$2,586,944	\$1,665,111	\$2,260,083	\$1,966,930
Upper Hutt City	Drinking Water	\$54,000	\$54,000	\$54,000	\$54,000
Upper Hutt City	Drinking Water	\$0	\$0	\$0	\$0
Upper Hutt City	Drinking Water	\$1,027,080	\$0	\$0	\$0
Upper Hutt City	Stormwater	\$403,812	\$268,272	\$161,892	\$124,308
Upper Hutt City	Stormwater	\$54,000	\$54,000	\$54,000	\$54,000
Upper Hutt City	Stormwater	\$9,181,185	\$2,079,930	\$0	\$0
Upper Hutt City	Wastewater (excl JV)	\$1,078,772	\$1,084,685	\$1,083,713	\$728,866

Upper Hutt City	Wastewater (excl JV)	\$81,000	\$81,000	\$81,000	\$81,000
Upper Hutt City Total		\$14,466,792	\$5,286,999	\$3,694,688	\$3,009,105
Wellington City	Drinking Water	\$8,403,536	\$9,853,666	\$13,914,730	\$16,175,016
Wellington City	Drinking Water	\$424,000	\$594,000	\$656,000	\$1,134,000
Wellington City	Drinking Water	\$977,000	\$691,200	\$432,000	\$432,000
Wellington City	Drinking Water	\$24,165,725	\$15,214,984	\$5,915,583	\$0
Wellington City	Stormwater	\$4,287,968	\$4,250,566	\$4,184,076	\$4,376,284
Wellington City	Stormwater	\$162,000	\$162,000	\$162,000	\$162,000
Wellington City	Stormwater	\$649,069	\$3,078,000	\$3,834,000	\$4,644,000
Wellington City	Wastewater (excl JV)	\$16,802,157	\$7,711,167	\$10,793,177	\$12,759,141
Wellington City	Wastewater (excl JV)	\$5,854,761	\$10,836,250	\$5,880,384	\$3,026,444
Wellington City	Wastewater (excl JV)	\$2,048,479	\$1,365,080	\$0	\$0
Wellington City	Wastewater (excl JV)	\$0	\$0	\$0	\$0
Wellington City Total		\$63,774,696	\$53,756,913	\$45,771,951	\$42,708,885
Grand Total		\$201,207,495	\$201,930,818	\$197,224,806	\$191,534,946

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

Prospective council operational programme

Council opex	2021/22	2022/23	2023/24	2024/25
GWRC	16,044,604	17,044,695	17,679,703	17,730,783
B/O	50,000	-	-	50,000
CC	80,980	50,000	75,000	-
GRO	-	-	-	-
LAEI	7,932,809	8,258,331	8,731,831	8,807,911
MGT FEE	7,599,835	8,236,364	8,872,872	8,872,872
SWS	380,980	500,000	-	-
HCC	13,451,366	22,131,865	22,689,234	23,756,146
B/O	481,403	493,829	418,534	949,600
CC	332,978	50,000	550,000	1,020,000
GRO	359,852	979,930	130,244	130,440
HUW	490,416	532,500	770,000	770,000
LAEI	8,370,544	15,971,485	16,207,119	16,272,778
MGT FEE	3,094,906	3,354,121	3,613,337	3,613,329
SWS	321,268	750,000	1,000,000	1,000,000
PCC	7,922,916	8,301,800	8,451,800	8,451,800
B/O	600,000	300,000	-	-
CC	12,781	-	-	-
GRO	-	-	20,000	20,000
HUW	311,477	325,000	375,000	375,000
LAEI	5,777,434	6,367,895	6,647,435	6,647,435
MGT FEE	1,199,445	1,299,905	1,400,365	1,400,365
SWS	21,781	9,000	9,000	9,000
SWDC	2,836,213	3,283,154	3,094,621	3,478,489
B/O	-	-	-	-
CC	2,894	-	-	-
GRO	100,000	100,000	-	-
HUW	44,862	195,287	-	-
LAEI	2,394,011	2,656,230	2,738,900	3,122,769
MGT FEE	271,553	311,637	335,721	335,720
SWS	22,894	20,000	20,000	20,000
UHCC	7,108,127	7,537,650	7,882,155	8,173,481
B/O	-	-	-	-
CC	12,489	-	-	-
GRO	128,724	138,724	153,724	153,724
HUW	85,986	95,000	95,000	95,000
LAEI	5,687,395	6,024,715	6,256,055	6,547,384
MGT FEE	1,172,045	1,270,211	1,368,376	1,368,373
SWS	21,489	9,000	9,000	9,000
WCC	35,315,448	37,201,255	39,715,151	40,906,590
B/O	-	-	-	-

CC	57,879	-	1,000,000	1,000,000
GRO	757,822	757,822	607,822	607,822
HUW	904,814	971,090	971,090	971,090
LAEI	27,771,883	29,252,225	30,461,174	31,652,627
MGT FEE	5,431,839	5,886,785	6,341,732	6,341,718
SWS	391,212	333,333	333,333	333,333
Grand Total	82,678,675	95,500,419	99,512,665	102,497,289

The financials are draft and include a number of assumptions which are subject to change. Final council approved budgets will not be available until after 30 June 2022.

INITIAL DRAFT

Other financial information

Current value of assets	The current value of assets at 31 December 2021 was \$2.8M based on the net asset value of Wellington Water as disclosed in the unaudited interim financial statements.
Accounting policies	Accounting policies are per following pages.
Financial reporting	Wellington Water's financial reporting is prepared in accordance with generally accepted accounting policies.

INITIAL DRAFT

Major accounting policies

Revenue

Revenue is derived from the six council shareholders, and from occasionally charging third parties for work performed. Revenue is billed and recognised monthly and consists of management and advisory services, council operational expenditure (opex) programme and council capital expenditure (capex) programme and temporarily the Stimulus Funding Programme.

Management and advisory services

The management and advisory services revenue is recognised using the percentage of completion method and is agreed with councils and performed on a financial year basis. Management and advisory services revenue has been fully recognised because services have been fully provided at balance date.

Operational expenditure programme and unexpected event reserve

The operational expenditure programme fee is recognised using the percentage of completion method.

Wellington Water develops an Annual Work Programme from the long-term plans of councils which is delivered on a financial year basis. Wellington Water enters into contracts with contractors to perform the work and manages the programme. Wellington Water is acting as a principal in relation to these transactions. Wellington Water employees also perform some of the work.

Operational expenditure programme revenue has been fully recognised because services have been fully provided at balance date.

Any part of the operational expenditure charge that remains unspent is transferred to the unexpected event reserve (up to an agreed cap). This reserve is used to fund unexpected events that may occur in relation to the three waters network and is ring fenced for each council. Funds that are transferred to the unexpected event reserve are accounted for as deferred revenue at balance date, as the reserve reflects revenue received in advance of providing services.

Capital expenditure programme

The capital expenditure programme fee is recognised using the percentage of completion method and based on the costs incurred as a percentage of total costs under the contracts. The capital expenditure programme fee also comprises a portion of Wellington Water labour costs that are directly attributable to the capex programme.

Wellington Water develops an Annual Work Programme that is jointly agreed with councils. Wellington Water is responsible for the procurement process including selection of contractors and contract pricing and enters into contracts with contractors to perform the work and manages the programme. Wellington Water is acting as a principal in relation to these transactions. Wellington Water has recognised capital expenditure programme revenue and expenses equivalent to the invoices paid or payable to third parties for the financial year.

We have restated prior year revenue and salaries for this change in classification to ensure comparability.

Property, plant and equipment, vehicles and intangibles

Property, plant and equipment (PPE) consists of fit-out and equipment. Vehicles consist of commercial vehicles used for operational purposes. Intangible assets consist of computer software and systems. These assets are carried at cost less accumulated depreciation or amortisation and accumulated impairments. Assets are reviewed annually for indicators of impairment.

Cost

These assets are initially measured at cost. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset and can be measured reliably. Assets under

construction are recorded as capital work in progress and include operational and intangible assets under construction. Costs that do not meet the criteria for capitalisation are expensed.

The cost of assets includes the purchase cost 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 and that can be measured reliably is capitalised.

Depreciation and amortisation

Depreciation is calculated on a straight-line basis, to allocate the cost or value of the asset over its useful life. The useful lives and depreciation rates are reviewed annually, and adjusted if appropriate, at each balance date.

The range of depreciation and amortisation rates for each class of asset is:

Fit-out and equipment	6% – 67%
Vehicles	13.5% - 20%
Intangibles	40%

Māori to English glossary

Māori	English
Hauora	Health/wellbeing
Kaitiaki	Guardian
Ki uta ki tai	Mountains to the sea
Mana	Prestige, authority, control, power, influence, status, spiritual power
Mana whenua	People who draw power from the land
Mauri	Life force
Tai	Coast
Taiao	Natural world
Tangata	Person
Taonga	Treasure
Te ao Māori	The Māori world (view)
Te hauora o te taiao	The health and wellbeing of the natural world
Te hauora o te tāngata	The health and wellbeing of the people
Te hauora o te wai	The health and wellbeing of the water
Te Ika a Maui	The fish of Maui; the North Island
Te mana o te mauri o te wai	The spiritual values of the water
Tikanga	Protocol – the customary system of values and practices that have developed over time and are deeply embedded in the social context
Uta	Inland
Wai	Water

Appendix 2: table showing how expectations are addressed

Expectation	How this has been addressed in the SOI	Page
Delivering business-as-usual efficiently and to agreed performance standards. Delivering an ambitious capital programme including any fiscal stimulus funding provided	Looking after existing infrastructure How we will work Appendix 2	10 17 23
Managing programmes, budgets and deliverability the over the next three years	Throughout document How we will work	16
Continue to pursue improvements in its performance management systems	Not funded over current level of service provided (and may need to be reduced further)	-
Further clarity, development and performance reporting against the value for money work previously undertaken by the company and the benefits shared to the shareholders	Not funded over current level of service provided (and may need to be reduced further)	-
Continued emphasis on reducing the water usage across the network at both a whole of supply level and an individual household level and the initiatives that support this work	Not funded over current level of service provided (and may need to be reduced further)	14
Meet the shareholders' individual and collective demands on carbon reduction. Continued commitment and reporting on carbon reduction	Not funded for the next two years outside of the carbon baselining activity completed in 2021/22	16
Develop respective councils' inputs to a new investment plan (a proxy for the next Long Term Plan) and asset management plans with a 10-30 year horizon to ensure a smooth transition for priorities and work programmes in the next 3-10 years	Our shared vision for water	7
Continued focus on asset management processes to improve data on asset condition and achieve greater certainty about future investment requirements	Looking after existing infrastructure Limited funding for the next two years, and level of service will be lower than what was delivered in 2021/22	10
Use the five strategic priorities as a framework for three waters planning and advice, while at the same time having a view to the concerns and requirements of individual council owners, such as resilience to natural shocks and climate change, and the vision set out in the 30 year plan – and fully engage councils and iwi mana whenua in this	Our shared vision for water	7
Planning should be undertaken guided by the principles of the journey to Te Ika rō Wai and restoring the balance of te ao wai, te ao taiao, and te ao tangata; and te mana o te wai	Our shared vision for water	7

Appendix 2: table showing how expectations are addressed

Expectation	How this has been addressed in the SOI	Page
Improving its transparency of assurance reporting, and to ensuring it meets or exceeds the regulator's expectations of reporting	How we will work	17
Support owner councils' through the policy/design phase of reform to input to the government's programme of work, focus on workforce retention and delivery of the LTP agreed work programme, and ready Wellington Water for the impending change through a robust change process	How we will work	17
Build capability in-house on Te Ao Māori	Trusted by councils, mana whenua, customers and communities	8
Continue to evolve the model of working with iwi to improve the overall effectiveness of the company and its delivery on Te Mana o te Wai	Trusted by councils, mana whenua, customers and communities	8
Improve customer focus through the way it problem-solves with and for communities, communicate about its work and resolve customer issues	Trusted by councils, mana whenua, customers and communities Not funded over current level of service provided (and may need to be reduced further)	8
Keep abreast of innovations and value-add initiatives in the water sector to reduce cost, improve speed of delivery, ensure climate change targets are met and environmental improvements are delivered. Innovation should include a continued focus on internal efficiencies	Not funded over current level of service provided	-
Develop strategies that will ensure that you are an employer of choice through changing times	How we will work	17
Place above all else the safety and welfare of your people and those affected by your activities	How we will work	17

PARA KAI MIRAMAR FOOD DIVERSION TRIAL

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Waihanga | Infrastructure Committee provides the findings of the Para Kai Miramar Food Diversion Trial. The paper includes the audit results and feedback from the trial participants, as well as an explanation of how the trial connects to the Kerbside Waste Service Review currently underway.

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
- 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

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

Relevant Previous decisions

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

N/A

Significance

The decision is **rated low 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

2. This is a noting paper with no financial implications.

Risk

- Low Medium High Extreme

3. The level of risk associated with this paper is low. It does not recommend any specific change in service level provision, nor have any financial implications for ratepayers.

Author	Stephanie Steadman, Senior Waste Planner
Authoriser	Emma Richardson, Waste Strategy Manager Stefan Borowy, Manager, Waste Operations Chris Mathews, Manager Waste, Water and Resilience Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That the Pūroro Waihanga | Infrastructure Committee:

1. Receive the information.

Whakarāpopoto | Executive Summary

4. The purpose of this report is to present the findings of the Para Kai Miramar Food Diversion Trial (the Trial) and to outline next steps including how the results of the Trial will be used to inform part of the Kerbside Waste Service Review (Kerbside Review).
5. The Trial involved 950 households in Miramar Peninsula and lasted just over a year. The aim of the Trial was to measure the effectiveness of two different methodologies for diverting residential food waste from landfill. The two methodologies were:
 - enhanced home composting (compost bins, worm farms and bokashi systems)
 - a weekly kerbside food waste collection service.
6. In total, 500 of the households had a weekly kerbside food waste collection, and 450 households were provided with a free compost bin, worm farm or bokashi system.
7. Prior to the Trial beginning in October 2020, an audit of waste from households in the area was undertaken to provide a baseline. This audit was repeated in November 2021 and found the average weight of food waste set out per household reduced by 38.8% in the Food Waste Collection trial area and by 16.4% for households participating in the Home Composting trial.
8. A survey of the participants in the Trial was also undertaken to gauge perceptions of the success of the Trial and a willingness to pay for a food waste collection service going forward. The survey indicated that participants thought the Trial was a good idea for Wellington, in particular the food waste collection and compost bin options. The bokashi system and worm farms were less popular.
9. The Trial and associated survey indicate that organic kerbside collection is the most effective method for diverting food waste from landfill. However, the home composting systems were still popular amongst the majority of participants and also reduced the amount of food waste going to landfill.
10. As such, in addition to providing insights into what organic waste diversion techniques are the most effective, the Trial reveals how food waste diversion may be effectively delivered.
11. The Trial findings will inform the Council's Kerbside Review process, which is currently underway. The primary aim of the Kerbside Review is to identify a suite of future-focused kerbside waste servicing options, that will be effective in reducing commercial and household waste within Wellington City.

Takenga mai | Background

Why should organic/food waste be diverted from landfill?

12. Food waste is particularly problematic in terms of landfill disposal because it is buried by other rubbish and crushed, which limits its exposure to sunlight, oxygen, and helpful microorganisms. As it breaks down anaerobically (without oxygen), it releases more methane than it would if it decomposed naturally, such as in a compost bin. Methane is

a powerful greenhouse gas and has roughly 30 times the impact of carbon dioxide on climate change.

13. In addition, the large volume of food waste going to landfill is shortening the life of the landfill. There is a missed opportunity for contributing to a circular economy through the production of compost.
14. The pre-trial audit found that approximately 37.4% of Council rubbish bags (by weight) comprised of food waste. This is supported by the Council's 2018 landfill audit, which found that 14% of all levied waste (by weight) at the Southern Landfill is kitchen waste².

Relevant policy considerations

15. Through the Wellington Regional Waste Management and Minimisation Plan (WMMP) 2017-2023, Wellington City Council has set a goal to reduce the amount of waste going to the Southern landfill by a third by 2026. As part of the WMMP, the Wellington City Council Action Plan identifies food / green waste collection as having the largest potential for diversion of waste from landfill³.
16. Te Atakura reiterates the target of reducing waste going to landfill by one third by 2026 and identifies landfill diversion as having major green house gas reduction potential⁴.
17. As part of implementing the future national Emissions Reduction Plan, MfE have also recently released a consultation paper called 'Te panoni i te hangarua, Transforming Recycling'. The document seeks feedback on three main proposals of which food waste collection from businesses and residential properties is a key component. This document indicates it is likely that food waste collection will be mandatory before 2030.

Why was Miramar chosen for the Trial?

18. The Miramar Peninsula was chosen for the Trial as it has a diverse range of established communities which are representative of Wellington's demographics, socioeconomics, and topography in a relatively small, easy to define area.

How was the Trial designed?

19. The kerbside food waste collection service consisted of a sample of 500 households in the Miramar central suburb who were automatically opted in (i.e. they had to opt out to be not included in the Trial. This is more representative of a roll-out across the city than seeking volunteers). Each household was delivered a 23L food scraps bin with a sealed lid which was collected on Friday (the usual collection day). The collections are taken to the Council's Capital Compost facility at the Southern Landfill for processing at no cost to participants of the Trial.
20. The home composting trial allowed for 450 households in the wider Miramar area to express interest in taking part. 150 households received a free compost bin, 150 households received a free bokashi bin and 150 households received a free worm farm. Educational material and videos were provided as well as a contact email address to Council for any questions which may arise.
21. A baseline audit was undertaken pre-trial commencement to analyse the volume and weight of food waste contained within the Council rubbish bags. A second audit was undertaken a year later to determine whether there was a reduction in food waste in the Council rubbish bags. The audit analysis included a comparison of weight of food

² Table 6.3 - [SWAP full report \(wellington.govt.nz\)](https://www.wellington.govt.nz)

³ WMMP, WCC Action Plan, Ref. C4 – 'household food and/or green waste collection'.

⁴ Refer Table 9 – Te Atakura

waste as well as the percentage of the volume of the bag comprising of food waste. In addition, a comparison of the number of rubbish bags put out by the households was undertaken (where it was possible to determine to which household the rubbish bags belonged).

22. Two participant surveys were also undertaken to gauge perceptions, the success of the Trial and a willingness to pay for a food waste collection service going forward.

23. The findings of the audit and the surveys are discussed below.

What were the aims of the Trial?

24. The overall aim of the Trial was to quantify the potential landfill diversion impact of providing kerbside food waste collection as well as on-site home composting options in the Wellington context. The associated aims of the Trial included:

- Quantify the potential diversion impact from both the kerbside collection and home composting methods
- Quantify participation and (where relevant) set out rates of uptake and use for each method
- Provide household satisfaction/feedback with each method
- Establish whether there is willingness to pay for each method following the Trial and if so, via what means (e.g. rates or user pays for kerbside component)
- Provide for a greater understanding of the information and communication requirements associated with each method
- Provide the opportunity to identify and resolve operational and system issues
- Gain local data to enable better cost estimates for each system and impact on overall waste management costs
- Gain the information necessary to enable democratic decision making
- Gain the necessary data to enable the preferred systems and infrastructure to be specified for any future procurement process.

Kōrerorero | Discussion

Audit Results

25. The audit was designed in conjunction with Council staff and run by Sunshine Yates Consulting Ltd (Attachment 1). The survey was designed in conjunction with Council staff and run by Gravititas OPG.

26. The findings of the audit are summarised below in Table 4.1 of the Sunshine Yates Consulting Report (refer Attachment 1):

Table 4.1 – Comparison of Results – before and during the Para Kai trial

	Baseline - before the Para Kai Trial	During the Food Waste Collection Trial	During the Home Composting Trial
Average household waste set out	9.44 kg	7.20 kg	7.49 kg
Average weight of food waste per household set out	3.53 kg	2.16 kg	2.95 kg
Average proportion of food waste per bag by weight	37.4%	30.0%	39.4%
Average number of bags set out per household	1.37	1.27	1.12

27. The baseline audit found that when households set out rubbish, it contained, on average, 3.53kg of food waste (note: this does not necessarily equate to a weekly output, as households do not always set rubbish out every week). This equates to 37.4% of the weight of the Council rubbish bag.
28. This is less than the Council's 2018 landfill audit findings that 45.2% of the weight of Council rubbish bags consisted of food waste⁵. The reasons for this differential remain unknown, however it may be due to a greater awareness of the environmental impact of disposing of organic material to landfill. We know from the survey that 22% of the respondents for the Trial said they were already not putting any food into their rubbish bags prior to the Trial commencing.
29. In November 2021, a follow up audit was undertaken to measure the quantity and proportion of food waste in the rubbish set out by the Trial participants (both food waste collection and home composting). This audit found that when households in the kerbside food waste collection trial set out rubbish, it contained, on average, 2.16 kg of food waste, and when households in the home composting trial set out rubbish, it contained, on average, 2.95kg of food waste. This means that when compared to the baseline, the average weight of food waste per household set out has reduced by 38.8% in the kerbside food waste collection trial, and by 16.4% in households participating in the home composting trial.
30. The audit was limited by its sample size, but illustrated that by having a weekly food collection service, there was a significant impact on the amount of food waste being put into the Council's rubbish bags. The results of the home composting trial were not so significant. The volume of food waste decreased by approximately 16%, however, the proportion of food waste per bag had increased slightly. This is offset by a reduction in the number of bags being put out. Unfortunately, it is not possible to provide an explanation for this.

Food Waste Collection Uptake

31. The number of food waste collection bins put out each week varies with the lowest recorded at 98 bins on 31 December 2021 (20%) and the highest being 290 (58%) on the second week of the Trial. The average number sits at 183 bins per week, or 37%.

⁵ Refer Table 3.2 – [SWAP full report \(wellington.govt.nz\)](https://www.wellington.govt.nz)

Survey Results

32. Two surveys were undertaken, one at the start of the Trial and one after the Trial had been operating for about a year.
33. The key findings of the survey, as reported by Gravitas OPG who were commissioned to undertake the survey and analysis are:
- a. While almost all respondents believe that the trial is a good idea for Wellington, those in the food waste collection trial are significantly more likely to think it is a very good idea. Interestingly this is the opposite to the early-trial survey where those in the home composting group were significantly more likely to say it was a very good idea.
 - b. Respondents were given a brief description of a number of potential future services and asked how interested they were in each. These are listed in order of popularity:
 - i. Council provide a compost bin for households to use (46% giving a rating of 10 'very interested', 71% giving a rating of 6+)
 - ii. Food waste kerbside collection run by Council and paid for via rates (46% giving rating of 10 'very interested', 70% giving a rating of 6+)
 - iii. Council provide a worm bin for households to use (32% giving rating of 10 'very interested', 58% giving a rating of 6+)
 - iv. Council provide a bokashi system for households to use (27% giving rating of 10 'very interested', 49% giving a rating of 6+)
 - v. Food waste kerbside collection run by community organisation with user pays system (16% giving rating of 10 'very interested', 43% giving a rating of 6+)
 - vi. Food waste service provided by a community organisation with a local drop-off point (10% giving rating of 10 'very interested', 32% giving a rating of 6+)
 - c. In response to a willingness to pay for any collection service, the maximum respondents are willing to pay for any of the waste collection services (run by Council or community groups) is up to \$100/year or \$2 a week (noting that this was the minimum amount respondents had to select from).
 - d. Those in the food waste collection trial were significantly more likely to say it was a more convenient way of managing household waste. Whilst convenience ratings among the compost bin users were similar, ratings were significantly lower among worm bin and (to a lesser extent) bokashi system users.
 - e. While food waste has been diverted from general rubbish bags, the impact of this on household costs is not obvious with only 34% of respondents saying the trial had saved their household money. Interestingly, the pre-Trial survey showed 40% thought it would save them money.
 - f. Key concerns / queries in general across all the bin types are around smell, attracting rodents, animals, and bugs (including being unsure of what bugs are wanted and what are not) and the volume of food to process (and, for the home composting group, what to do if something goes wrong).
 - g. Some in the home composting trial group feel they may have selected the wrong bin type for their household e.g. having a bokashi bin where they don't have space to bury the compost.
 - h. Respondents agree that waste related issues are important and environmental purpose and goals are key motivation to take part.

-
- i. During the Trial, the number of households putting at least some of their food waste in the general rubbish bag declined significantly, including a significant decline in those using it as their main method (down from 50% to 20%).
 - j. Three quarters (74%) said they used a 'greener' main method of disposing of food waste during the Trial (rather than just disposing of food scraps with their general rubbish). This is up significantly compared with pre-Trial levels (28%).
 - k. At least four in five respondents across both trial groups indicated that they were likely to continue to use the system if the Trial continued.
34. The surveys also asked for comments from participants. The feedback received provides some insight into perceptions, areas which require more focus and the need for ensuring a service is fit for the needs of the household. A representative overview of the feedback received is included in Attachment 2.

Costs of the Trial

35. Total costs of the Trial to the end of March 2022 were \$320,589. It is not possible to accurately extrapolate these costs into a potential roll-out of food waste collections across the City due to the small trial area and the inclusion of home composting systems. However, as part of the Kerbside Review, modelling is being undertaken to determine the likely costs of a food waste collection service, at a household level, when considered against a number of scenarios.
36. Another key consideration is that currently there is no organic waste processing facility within Wellington City or the wider Wellington Region, which could process food waste collected on a city-wide scale. This matter will be considered as part of the Resource Recovery Network expansion business case which is currently underway.



Relationship between the Trial and the Kerbside Waste Service Review

37. The primary aim of the Kerbside Review process is to identify a suite of future-focused kerbside waste servicing options that will be effective in reducing commercial and household waste within Wellington City.
38. The proposed objectives of the Kerbside Review are to:
- Significantly reduce household and commercial waste within Wellington City, while providing value for money for ratepayers.
 - Reduce carbon emissions from waste.
 - Address the diverse commercial and residential waste-related kerbside servicing needs of stakeholders in a fair and equitable manner.
 - Support operational efficiency for the Council.
 - Promote the health and safety of both waste service providers and users.
39. As part of the Kerbside Review, a range of kerbside servicing options and costs will be presented to the Council for consideration.
40. Based on the MfE consultation document 'Te panoni i te hangarua, Transforming Recycling', it appears likely that food waste collection may become mandatory before 2030. The Trial findings are therefore timely as they will inform the Council's next steps in tackling food waste disposal issues.

Ngā mahinga e whai ake nei | Next actions

41. The Para Kai Miramar Food Diversion Trial is scheduled to cease at the end of the financial year. Officers are currently working to develop Trial completion communications with the participants and the provider of the service.
42. The participants with the home composting systems will be able to retain their worm farms, compost bins and bokashi bins.
43. Officers are currently working on determining how best to manage any unwanted food waste collection containers.
44. As part of the Kerbside Review, a range of kerbside food waste collection options will be investigated for potential residential use in Wellington City. In terms of modelling the varying options available, the Trial findings helpfully show the level of food waste diversion achieved when integrated into the current waste servicing and recycling collection system. The survey responses are also helpful in terms of designing and delivering any future services through the Kerbside Review.
45. Trial findings will now be circulated to interested parties to help understand the perceptions and realities of food waste collection services and the use of on-site home composting systems.

Attachments

- Attachment 1. Attachment 1 - Para Kai Waste Audit 2021 
- Attachment 2. Attachment 2 - Para Kai Survey Responses 

Para Kai Food Waste Audit

Prepared for
Wellington City Council

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CONTENTS

EXECUTIVE SUMMARY	1
1 INTRODUCTION	2
2 METHODOLOGY	3
2.1 AUDIT DESIGN	3
2.1.1 SAMPLE AREAS	3
2.1.2 SAMPLING STRATEGY	4
2.1.3 AUDIT EXECUTION	4
2.1.4 STAFF TRAINING AND OSH ISSUES	5
3 AUDIT RESULTS	6
3.1 FOOD WASTE COLLECTION AND HOME COMPOSTING TRIALS	6
3.2 DISTRIBUTION OF BAG WEIGHT	6
3.2.1 <i>Food Waste Collection Trial</i>	7
3.2.2 <i>Home Composting Trial</i>	7
3.3 DISTRIBUTION OF BAG SET OUT	8
3.3.1 <i>Food Waste Collection Trial</i>	8
3.3.2 <i>Home Composting Trial</i>	8
4 COMPARISON WITH BASELINE DATA	10
5 PRECISION LEVELS AND STATISTICAL DIFFERENCES	11

EXECUTIVE SUMMARY

In October 2020, Wellington City Council launched a 12-month food waste diversion trial called the Para Kai Miramar Peninsula Trial.

The trial included 950 households on the Miramar Peninsula and involved two methodologies – a Home Composting trial that provided households with a free compost bin, worm farm or bokashi bin and a Food Waste Collection trial, that provided a weekly collection of food waste in a specific area of Miramar.

Before the Para Kai trial was launched, Sunshine Yates Consulting (SYCL) undertook an audit of waste from households in the trial area to gather baseline data on the quantity and proportion of food waste in household rubbish bags. This audit found that when households set out rubbish, it contained, on average, 3.53 kg of food waste (note: this does not necessarily equate to a weekly output, as households do not always set out rubbish every week).

In November 2021, a follow up audit was undertaken to measure the quantity and proportion of food waste in the rubbish set out by households in the Food Waste Collection trial area and in the Home Composting trial. This audit found that when households in the Food Waste Collection trial area set out rubbish, it contained, on average, 2.16 kg of food waste, and when households in the Home Composting trial set out rubbish, it contained, on average, 2.95 kg of food waste.

This means that the average weight of food waste per household set out has reduced by 38.8% in the Food Waste Collection trial area, and by 16.4% in households participating in the Home Composting trial, when compared to the baseline.

1 INTRODUCTION

In October 2020, Wellington City Council (WCC) launched a 12-month food waste diversion trial in the suburb of Miramar called the Para Kai Miramar Peninsula Trial.

The trial included 950 households on the Miramar Peninsula and involved two methodologies – a Home Composting trial (HC trial) and a kerbside Food Waste Collection trial (FWC trial).

The HC trial included 450 households. These households were provided with a free compost bin, worm farm or bokashi bin by WCC, along with information on how to use them.

The FWC trial included 500 households. These households received a separate weekly collection of food waste from the kerbside on the same day as their rubbish collection.

These trials were part of WCC's target to reduce the total quantity of waste sent to class 1 landfills from 600 kilograms per person per annum to 400 kilograms per person by 2026, as per the Wellington Regional Waste Management and Minimisation Plan (RWMMP) 2017 – 2023 which provides a 10-year plan for the regions' eight councils.

In September 2020, before the launch of the Para Kai Miramar Peninsula Trial, WCC commissioned Sunshine Yates Consulting Limited (SYCL) to undertake a baseline audit of waste from households in the trial area. The aim of this audit was to determine the average quantity (and proportion) of food waste, per household set out of domestic kerbside rubbish bags, before the trial was launched.

The results of this initial audit were presented to WCC in November 2020.

A second audit was commissioned to take place towards the end of the year long food waste diversion trial, to measure its effectiveness. This follow up audit was undertaken in November 2021, after being delayed for a month by Covid-19 lockdowns. The end of the Para Kai trial was also postponed to ensure that it was still operating when the follow-up audit was undertaken.

The aim of the second audit was twofold:

1. to measure the average quantity (and proportion) of food waste, per household set out of domestic kerbside rubbish bags, for households located within the FWC trial area
2. to measure the average quantity (and proportion) of food waste, per household set out of domestic kerbside rubbish bags, for households participating in the HC trial

The results of this audit are presented in this report. This report also contains a comparison of the results of the two 2021 audits with the baseline 2020 audit results.

Food Waste Collection Trial

During the FWC trial, WCC collected data on the number of households in the FWC trial area that set out a food waste bin each week, and the tonnage of food waste collected each week.

There were 500 households in the FWC trial area. Based on the data collected by WCC, the average number of households that set out a food waste bin on any particular week was 184 (or 37% of households within the trial area). The proportion of households setting out a food waste bin on a particular week varied during the trial from a high of 58% to a low of 20%.

The average weight of the food waste bins being set out was 3.17 kg. Please note that this does not equate to a weekly set out weight, as not all households set out a food waste bin each week.

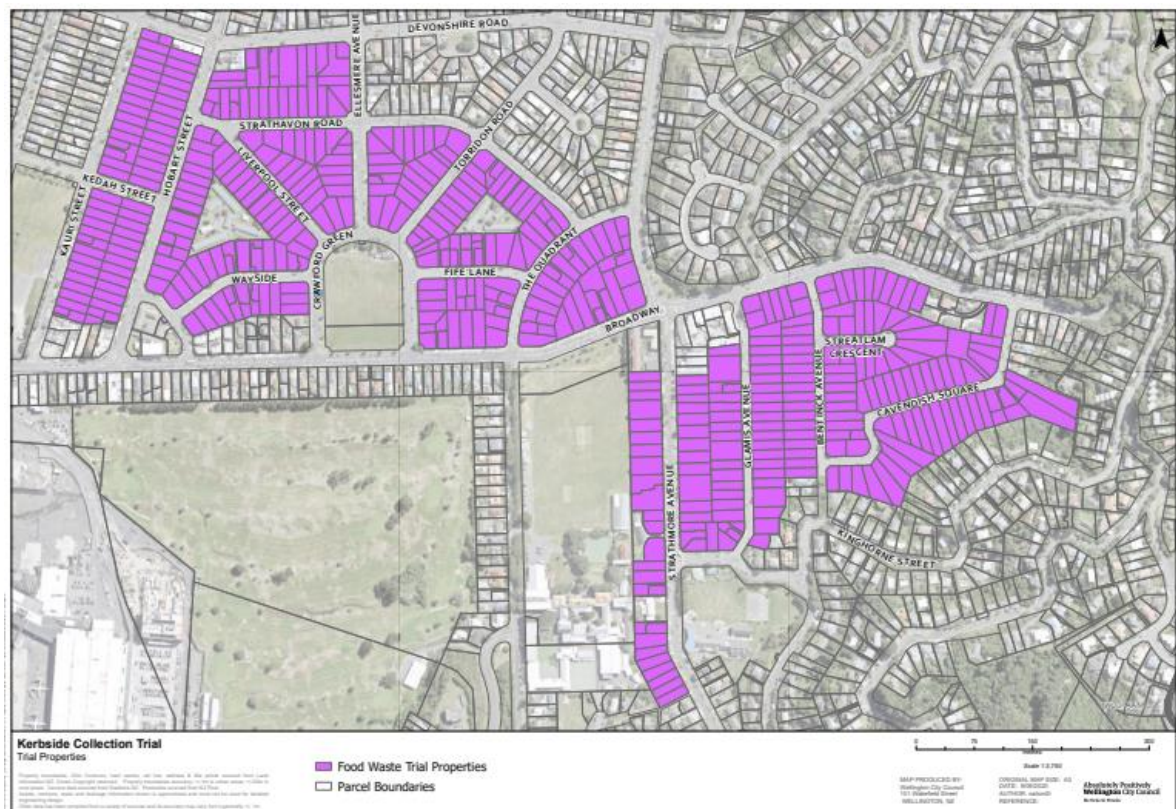
2 METHODOLOGY

2.1 Audit design

This audit was designed to gain data on the quantity (and proportion) of food waste set out by households in the HC trial and in the FWC trial area.

2.1.1 Sample areas

Two separate samples were collected in 2021. The first sample was collected from households in the FWC trial area, as outlined in Map 1. These households have been receiving a weekly food waste collection for the past year. This area includes 500 households, and bags were to be collected from 100 of these households for the audit.



Map 1 - Food waste collection trial area

The second sample of bags was selected from households that had elected to participate in the HC trial. These households were spread across the Miramar peninsular.

WCC provided SYCL with a list of the addresses of participating households, as well as a map that showed the location of those addresses. The aim was for bagged rubbish to be collected from 100 of the 450 households participating in the HC trial.

Before the audit samples were collected, a letter was delivered to all households in the FWC trial area informing them that the audit was to take place and providing them with the option to opt out if they

did not want their rubbish bag collected as part of the audit. A total of eight households chose to be excluded. The exact date of the audit was not given to reduce the potential for altered household disposal behaviour.

2.1.2 Sampling strategy

On Friday 5 November 2021, a collection truck with a driver and a collection assistant, set out to collect 100 bags of domestic kerbside rubbish from the FWC trial area. Another two trucks, each with a driver and collection assistant set out to collect domestic kerbside rubbish bags from 50 households each, participating in the HC trial. As these households were spread across the Miramar peninsular, the two trucks divided the area in two and each truck set out to collect 50 bags from their half of the peninsular.

A total of 100 bags were collected from the FWC trial area and 75 bags were collected from households participating in the HC trial. Unfortunately, a full sample was not able to be found within the HC area, despite the trucks visiting all of the participating addresses.

Only waste from residential properties was included. A single bag was collected from each household that set out bags. When a rubbish bag was taken from the verge outside a household, the total number of bags set out by that household was recorded. This allowed for the calculation of the average number of bags set out per household, which, when combined with an average bag weight, provides data on the average weight of kerbside waste set out per household. This does not necessarily equate to an average weekly household waste generation, as not all households set out kerbside waste each week.

Bags were only collected from households that set out distinct samples of rubbish bags. A rubbish bag was not taken, for example, from a pile of bags beside a shared driveway, as the pile could represent the output of several households.

A list of the addresses of households that had opted to not participate in the audit was used by the collection crew to ensure that these households' rubbish was not collected.

Each time one of the trucks pulled up outside a house from which they were to collect a bag of rubbish, both the truck driver and the collection assistant would alight from the truck to satisfy WCC health and safety requirements.

Once the trucks had collected their sample of rubbish bags, they drove the samples to the audit site at Landfill Road.

2.1.3 Audit execution

The audit was set up in a building behind the WCC offices on Landfill Road in Happy Valley. The collection trucks were parked beside the audit site, and bags were removed from the trucks as they were required for auditing. The audit took place on Friday 5 and Saturday 6 November 2021.

The sample from the HC trial and the FWC trial area were audited separately.

Before auditing, each bag of rubbish was weighed. The bags were then sorted in samples of five bags.

Five bags were placed on the audit table and opened. All non-food items in the bags were placed in one bin and all food waste in another. Both bins were weighed, and the weights recorded.

The contents of these bins were then transferred to a skip bin for disposal, and another five bags were weighed in and audited.



Sample of bags



Waste auditing

2.1.4 Staff training and OSH issues

All Health and Safety documents were emailed to contractors prior to the audit and a Health and Safety training session was held with contractors before they commenced work.

As this audit took place during Covid-19 level 2, a comprehensive Health and Safety plan was established, and additional PPE and social distancing was put in place.

The following procedures were established to ensure all employees and contractors were protected from the potential transmission of Covid-19.

- Employee and contract auditors were strongly encouraged to be double vaccinated
- The audit site was assessed as to air movement and the audit was only to be undertaken if sufficient airflow was present
- Appropriate PPE was worn at all times. This included:
 - a. Overalls
 - b. Waterproof and cut proof gloves
 - c. N-95 (or better) masks
- The sorting team had hand sanitiser available at all times
- The sorting team did not use shared lunchroom facilities, other than for tea and coffee-making
- Only four people were allowed at the sorting table so 1 metre distancing could be maintained
- Hand washing facilities were available
- All site sign-in and sign-out procedures were observed to facilitate contact tracing
- The audit supervisor maintained records of contact details of the sorting team
- Employees and contractors were required to bring a fresh change of clothes to put on at end of each day

Prior to the start of the audit, all team members received the requisite training on the requirements of the audit process and on occupational health and safety procedures. As sensitive documents are occasionally present in domestic rubbish, the importance of confidentiality was emphasised to all team members.

3 AUDIT RESULTS

3.1 Food Waste Collection and Home Composting Trials

In total one bag of domestic kerbside rubbish was collected on the morning of 5 November from 100 households in the FWC trial area, and 75 households participating in the HC trial.

These two samples were audited separately. The bags of rubbish were sorted in samples of five. Each sample of five bags was weighed in before being placed on the sorting table and sorted into two categories – food waste and all other waste.

The results of the audit are shown in Table 3.1, for both the FWC trial area and the HC trial.

Table 3.1 – Results of Audit of Para Kai Trial 2021

	Food Waste Collection Trial Area	Home Composting Trial
Average rubbish bag weight	5.66 kg	6.66 kg
Median rubbish bag weight	5.09 kg	5.74 kg
Average weight of food waste per bag	1.70 kg	2.63 kg
Average proportion of food waste per bag by weight	30.0%	39.4%
Average number of bags set out per household	1.27	1.12
Average household waste set out	7.20 kg	7.49 kg
Average weight of food waste per household set out	2.16 kg	2.95 kg

The average weight per household set out presented in Table 3.1 has been calculated from an average number of bags set out per household, based on data collected during the sample collection, and the average bag weight from the audit data.

Based on this data, households in the FWC trial area set out on average 2.16 kg of food waste per set out, comprising 30.0% of the weight of their rubbish. Households participating in the HC trial set out on average 2.95 kg of food waste per set out, comprising 39.4% of their rubbish.

This equates to 36.6% more food waste per household set out in households in the HC trial compared to households in the FWC trial area.

As not all households put rubbish bags out every week, the average household set out weight cannot be regarded as equivalent to an average weekly waste generation.

An analysis of household bag set out is given in Section 3.3.

3.2 Distribution of bag weight

The following sections provide an overview of the distribution of bags weights collected from the two trials.

3.2.1 Food Waste Collection Trial

The average bag weight collected in the FWC trial area was 5.66 kg. The lightest bag was 0.79 kg and the heaviest 15.82 kg. The distribution of the bag weights is shown in Figure 3.1.

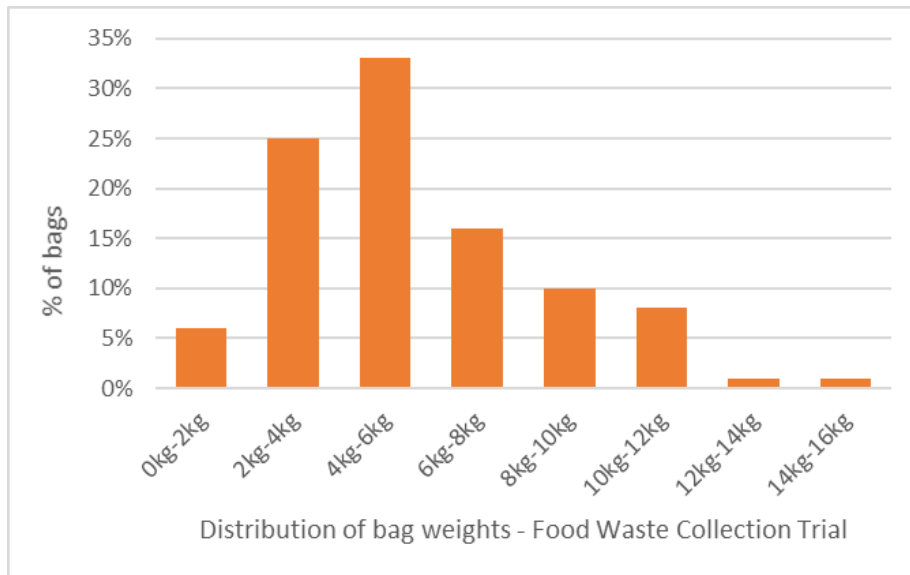


Figure 3.1 - Distribution of bag weights in FWC trial area

Ninety per cent of all bags weighed less than 10 kg.

3.2.2 Home Composting Trial

The average bag weight collected from households participating in the HC trial was 6.66 kg. The lightest bag was 0.44 kg and the heaviest 16.36 kg. The distribution of the bag weights is shown in Figure 3.2.

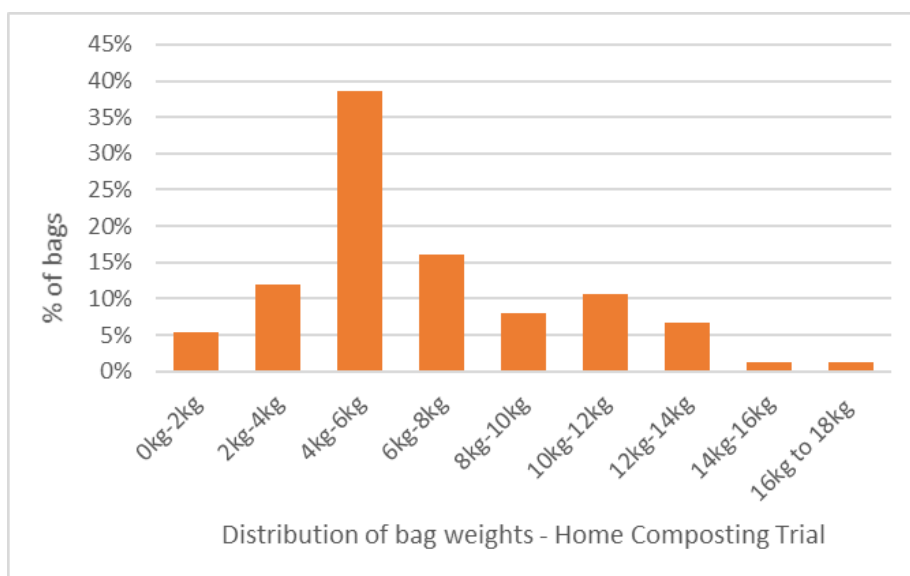


Figure 3.2 - Distribution of bag weights in HC trial

Eighty per cent of all bags weighed less than 10 kg.

3.3 Distribution of bag set out

The following sections provide an overview of the set out rate of rubbish bags, which is how many rubbish bags a household sets out, when they set out rubbish.

3.3.1 Food Waste Collection Trial

When the sample of domestic rubbish bags was collected from the FWC trial area, the total number of bags set out by each household was recorded. This data was used to calculate that the average household in the FWC trial area sets out 1.27 bags of rubbish per set out. Figure 3.3 shows the distribution of the bag set outs.

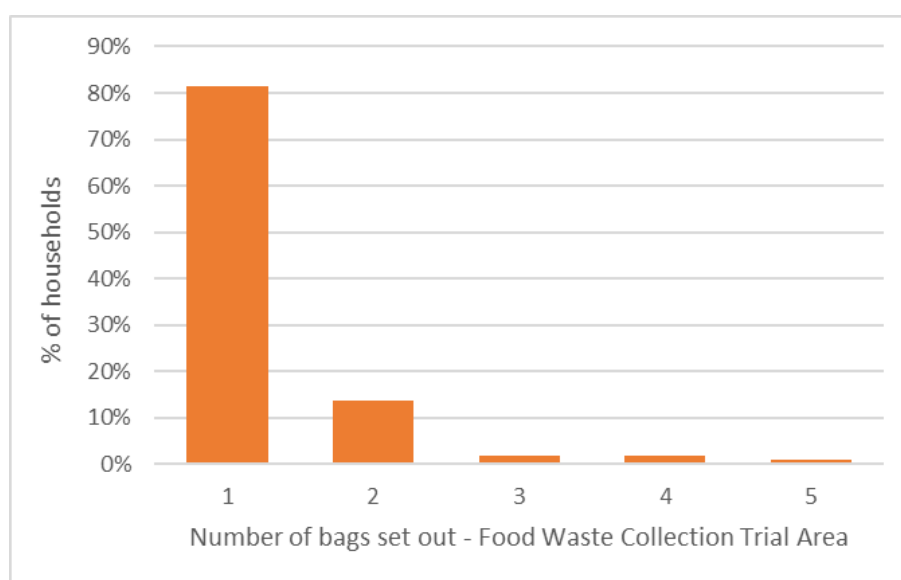


Figure 3.3 - Distribution of domestic rubbish bags set out in FWC trial area

Eighty-two per cent of all households that set out rubbish bags set out a single rubbish bag. Five per cent of households set out more than two bags.

3.3.2 Home Composting Trial

When the sample of domestic rubbish bags was collected from the households participating in the HC trial, the total number of bags set out by each household was recorded. The average household set out in the HC trial was 1.12 bags. Figure 3.4 shows the distribution of the bag set outs.

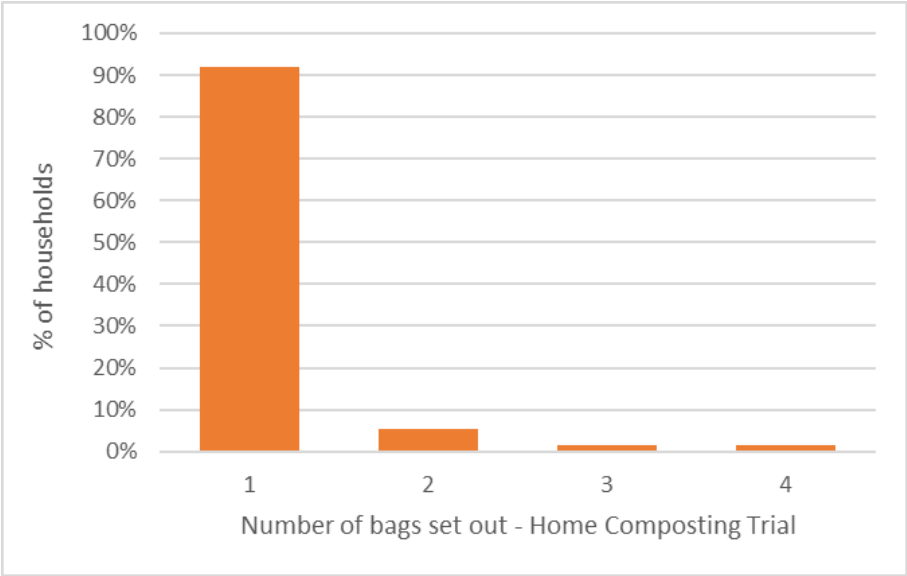


Figure 3.4 - Distribution of domestic rubbish bags set out in HC trial

Ninety-two per cent of all households that set out rubbish bags set out a single rubbish bag. Three per cent of households set out more than two bags.

4 COMPARISON WITH BASELINE DATA

This section provides a comparison of the quantity (and proportion) of food in domestic kerbside rubbish before the Para Kai trial began, and a year into the trial – for both the HC trial and the FWC trial.

A comparison of the three sets of results is provided in Table 4.1.

Table 4.1 – Comparison of Results – before and during the Para Kai trial

	Baseline - before the Para Kai Trial	During the Food Waste Collection Trial	During the Home Composting Trial
Average household waste set out	9.44 kg	7.20 kg	7.49 kg
Average weight of food waste per household set out	3.53 kg	2.16 kg	2.95 kg
Average proportion of food waste per bag by weight	37.4%	30.0%	39.4%
Average number of bags set out per household	1.37	1.27	1.12

Based on the results of the audit, there has been a reduction in food waste per household set out in both the FWC trial area and the households participating in the HC trial, compared to the baseline before the Para Kai project was launched.

The average weight of food waste per household set out has reduced by 38.8% (from 3.53 kg to 2.16 kg per set out) in the FWC trial area, and by 16.4% (from 3.53 kg to 2.95 kg per set out) in households participating in the HC trial.

The proportion of food waste per bag has increased among the households participating in the HC trial, but they are setting out fewer bags of rubbish. It is not possible, based on the results of this audit, to ascertain why fewer bags are now being set out.

5 PRECISION LEVELS AND STATISTICAL DIFFERENCES

The MfE’s Solid Waste Analysis Protocol 2002 (SWAP) defines a precision level (margin of error/mean) of $\pm 20\%$ as being a “reasonable level of accuracy”. The precision level of a result is directly related to the standard variation of the samples - in this case, how much the quantity of a particular material varies amongst the different samples. A material that is present in roughly similar quantities in all samples will have a better precision level than a material that is not common in household rubbish.

Due to the two relatively small sample sizes included in this audit, and the variability in food waste disposal quantities, the precision level for food waste does not fall within the SWAP definition of a “reasonable level of accuracy” for either sample. Food waste in the sample from the FWC trial area had a precision level of 22%, and in the HC trial food waste had a precision level of 25%.

A Student-T Test has also been undertaken to determine whether the sets of food waste data collected before and after the implementation of the Para Kai trial are significantly different from each other, in statistical terms. A two-sample unequal variance test assuming two-tailed distribution was used.

Evaluation of the P value for the T-test results was made using the definitions in the following table.

Table 3.2 - Student T-test

P values	Significance
>0.05	Not significant
0.01 to 0.05	Significant
0.001 to 0.01	Very significant
< 0.001	Extremely significant

The result, or P value, of the Student T-test was 0.004 when comparing the quantity of food waste in the sample of household rubbish bags in September 2020 (before the launch of the Para Kai trial) and the quantity of food waste in the sample of household rubbish bags in the FWC trial area in November 2021. A 0.004 P Value signifies a ‘very significant’ difference between the two samples.

When comparing the quantity of food waste in the samples of household rubbish bags in September 2020 with the quantity of food waste in samples of household rubbish bags in the HC trial in November 2021, the P value of the Student T-test was 0.883, which is a ‘not significant’ difference.

Therefore, when comparing the weight of food waste in samples of five household rubbish bags, before and after implementing the Para Kai trial, there has been a ‘very significant’ change in the quantity of food waste in the FWC trial area, and a ‘not significant’ difference in food waste in households participating in the HC trial.

Attachment 2 – Excerpts from Survey Responses for Para Kai Trial:

To understand different perspectives, barriers and opportunities for food waste collection and on-site management, the Council commissioned Gravitas OPG to undertake a follow-up survey of Trial participants.

The comments from participants provide useful feedback and can help guide the design of future food waste services. A sample of comments are included below:

Reasons for Not Taking Part in Trial

Below are some comments from those who did not participate in the Trial although they had indicated they would like to join the home composting trial or were allocated a food waste collection bin.

- *"I have too small an amount of food waste to be bothered. I'm a one person household"*
(Respondent assigned to the Food Waste Collection Trial)
- *"We have two compost bins and a mulcher already"*
(Respondent assigned to the Food Waste Collection Trial)
- *"I want to do my bit for environment and thought one system would take care of food waste that didn't go down kitchen sink disposal. But this was wrong"*
(Respondent assigned to the Bokashi System Trial)
- *"The bins smell and were blown away"*
(Respondent assigned to the Food Waste Collection Trial)
- *"Should've been a part of the rubbish collection trial instead. Don't really make enough food waste to compost myself"*
(Respondent assigned to the Bokashi System Trial)
- *"I was not prepared for what was involved in using the Bokashi method"*
(Respondent assigned to the Bokashi System Trial)
- *"I was keen, but too lazy"*
(Respondent assigned to the Worm Bin Trial)
- *"The bin was too big for our garden and I changed my mind"*
(Respondent assigned to the Compost Bin Trial)

Reasons for Low or Non-Use – Food Waste Bin / Caddy

Below are a selection of comments made by respondents for why they used the food waste bins less often, or not at all, for periods of time during the trial:

- *"The bin was attracting pest and was gross and impractical"*
- *"Don't use much now as I now live alone and have no food waste"*
- *"Family members away, fewer meals at home"*
- *"Lazy, bin needed cleaning before reuse. But felt really positive when I did get my act together"*

- *“The trial was a waste of time. Bins blowing around in the wind discharging contents”*
- *“Our bin got run over (a replacement would be good)”*
- *“I reverted to my normal compost system. The bin was smelly and hard to clean”*
- *“Because the people I live with are less motivated to use the bin and I often forgot to put it out”*
- *“For 3-4 weeks our bin ended being missed each week and we got fed up with it sitting there and it ended up smelling so we stopped using it”*
- *“It smelt foul and there were bits in the bottom that were somewhat stuck and had gone rotten. Needed cleaning badly”*

Reasons for Low or Non-Use – Bokashi System

Below are a selection of comments made by respondents for why they used the Bokashi System less often, or not at all, for periods of time during the trial:

- *“Less food waste at times”*
- *“Because it needs a hole in the ground to put the waste in and I didn’t have space to allocate to that. I simply didn’t realise it was like a delayed compost bin”*
- *“I was the instigator of the composting trial at home but I found I didn’t have the discipline/desire to maintain the effort required”*
- *“We filled both bins but found it was more time consuming than using a standard compost or worm farm”*
- *“The bokashi was advertised as good for small spaces but actually required digging large trenches. We did this once but was not something we had repeated space or time to do”*
- *“It didn’t meet my expectations of fitting on my kitchen bench and then needing to bury it. I have very little land to bury it in”*
- *“Because once ‘pickled’, the waste in the bokashi bin still needs to be put into a compost bin or dug into a garden to finish breaking down. We have neither of these, and it just became unmanageable trying to find a compost bin to take the bin to and empty it. It was all just too much effort and not practical”*
- *“Winter – I found it too wet to take the bokashi outside and bury in the garden. It rains too much in Wellington”*
- *“During the hottest summer month it was easier to not use the bokashi bin as we didn’t have a cool place for it but started again when weather cooled”*

Reasons for Low or Non-Use – Worm Farm

Below are a selection of comments made by respondents for why they used the worm farm less often, or not at all, for periods of time during the trial:

- *“The worms didn’t eat the scraps fast enough to keep up with our production”*
- *“Got a bit disheartened at times, it was slow starting”*
- *“I stopped using it after a while as it just did not seem to work. I couldn’t get it up and running as described at the initial session I attended”*

- *“While establishing itself the worm farm could not take ALL of our fruit and veg waste. A year later it can manage it all now”*
- *“My worms all moved out 😞”*
- *“Because we are a family of four we produced too much food waste of the worm farm and the worms were too slow to eat the waste and it attracted flies so we gave up”.*

Reasons for Low or Non-Use – Compost Bin

Below are a selection of comments made by respondents for why they used the compost bin less often, or not at all, for periods of time during the trial:

- *“There were too many flies when we opened the lid. Also it got so full so we only put fruit and veggie scraps in over the last few months”*
- *“Forgot to use it at the start as not used to it – but now its getting to be a habit it’s become more used”*
- *“Stop when it’s get too smelly waiting for the contents to compost”*
- *“The bin was full”*
- *“Work kept us busy”*
- *“It started attracting lots of flies so we got put off using it”*
- *“As the bin was outside and due to weather it was easier to bag and put into rubbish waste bin at work”*
- *“Just busy with two children under three. Sometimes it was just remembering to take food scraps outside to the compost bin rather than putting them in the bin in the kitchen”*
- *“I think placement of the composting bin was important. We put it in the perfect spot in the back of the garden but during winter and being pregnant I was less likely to want to go outside. Once I became less inclined then my partner followed suit which was just a product of being mid home renovations (us completing them), both working 10-14 hrs a day and me being pregnant. Another point in time that didn’t see us so exhausted and time poor then we would have been star players. I feel disgraced just writing this down :/”*

'TRANSFORMING RECYCLING' - SUBMISSION TO MANATŪ MŌ TE TAI AO - MINISTRY FOR THE ENVIRONMENT

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Pūroro Waihanga | Infrastructure Committee seeks approval of the Council's 'Transforming Recycling' submission to Manatū Mō Te Taiao - Ministry for the Environment (the Ministry).

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

Not applicable.

Significance

The decision is **rated low 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

Risk

Low

Medium

High

Extreme

Authors	Alice Ash, Senior Policy Advisor Emma Richardson, Waste Strategy Manager Jennifer Elliot, Waste Minimisation Manager
Authoriser	Baz Kaufman, Manager Strategy and Research Siobhan Procter, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Waihanga | Infrastructure Committee:

- 1) Receive the information.
- 2) Approve the proposed submission (**Attachment Two**) to be submitted electronically to Manatū Mō Te Taiao - Ministry for the Environment.
- 3) Delegate the Chief Executive and the Chair or Deputy Chair of the Pūroro Waihanga Pūroro Waihanga | Infrastructure Committee the authority to amend the submission to include any amendments agreed at this meeting and any minor consequential edits.

Whakarāpopoto | Executive Summary

2. The Ministry released the 'Transforming Recycling' (consultation) on 13 March 2022, with a closing date of 8 May. They are seeking feedback on three initiatives designed to lift the performance of New Zealand's resource recovery and waste system and help the country move towards a low-emissions, circular economy.
3. **Attachment One** of this report provides a snapshot summary of the three connected initiatives, including:
 - Establishment of a *Container Return Scheme (CRS)* designed to encourage people to recycle their drink containers in exchange for a 20-cent refund. This scheme aims to change public attitudes towards recycling and litter, with a container recovery target of 85 per cent by year three of implementation.
 - *Improvements to household kerbside recycling* include a nationally standardised system of materials available for kerbside recycling. This scheme aims to reduce household confusion and contamination, improve the quality of recyclable material, and divert more materials from landfills. Over time, this scheme will include access to a food scraps bin at the kerbside.
 - *Separation of business food waste* by requiring all businesses to collect food waste separately from other waste materials.
4. **Attachment Two** of this report outlines the Council's proposed responses to 57 of the set questions. The 'background' section of the table provides Councillors with appropriate context to the related question and our proposed response. If Councillors wish to read the full consultation (136 pages), the document can be found [here](#).
5. Overall, officers view the package as a positive step towards improving the way we recycle in New Zealand. We offer key points for additional consideration, which are highlighted in the discussion section of this paper.

Takenga mai | Background

6. Aotearoa New Zealand is one of the highest generators of waste per person in the world with relatively low recycling rates compared to other countries.

7. Existing resource recovery systems do not incentivise individuals to recycle beverage containers when they are away from home. Public place recycling can recover some beverage containers consumed 'on-the-go' but these bins capture few containers and are often contaminated with non-recyclable rubbish.
8. No one type of recyclable packaging is collected by every council in New Zealand. Household kerbside recycling collections are highly variable in terms of who has access to the collection, what materials are collected, and how the materials are collected. This lack of consistency can cause confusion for the public and increase the risk of contaminated recycling.
9. This submission has been prepared by officers in the Waste Operations and Policy team. Input has been provided from the Climate Change Response team as well as those in the Economic Development space to ensure that both a waste minimisation and business economic perspective have been considered.

Kōrerorero | Discussion

10. The Council's key points for consideration (outlined in **Attachment Two**) are as follows:

Container Return Scheme (CRS)

10.1) We suggest that bladders, pouches and fresh milk (currently excluded) should be considered for eligibility in the scope of the CRS. It is unclear why fresh milk is out of scope, yet beverages such as kefir and plant-based milk alternatives are included in the scheme. We advocate that including a broad scope of container materials will make it less confusing for consumers and businesses.

10.2) We agree with the Ministry's proposed refund amount of 20-cent as an initial deposit amount. We believe this figure should be subject to periodic review to align with assessments of the scheme and the consumer price index (CPI).

10.3) We are mindful that the consumer is required to cover this deposit amount at purchase, and any price that is added on top of the normal price of a beverage should be considered against the overall cost, equity impact and affordability of living in New Zealand.

10.4) We note that our support for the scheme is subject to the availability and convenience of container return stations that allow consumers to recycle their empty beverage containers and access the refund process.

10.5) We suggest that a trial/pilot of the CRS could be beneficial to see how this scheme would work in a New Zealand context.

Improvements to household kerbside recycling

10.6) We support the proposal to introduce a standard set of materials collected by all councils at the kerbside. This will support consistency in national campaigns and reduce instances of 'missed capture' (when people put items in rubbish that could have been recycled).

10.7) We agree that, in addition to kerbside policies, New Zealand should have a network of convenient places where people can recycle items that cannot be easily recycled at kerbside (due to size or other characteristics).

10.8) We agree that offering a weekly kerbside food scraps collection could have dramatic benefits for the environment through the diversion of food scraps from landfills and reduction in methane emissions. We note that it is difficult for WCC to comment on what other councils should offer as local authorities face varying demands (budgets, capacity, and collection/processing facilities).

10.9) We stress the importance that these policy changes are met with appropriate funding from central government. We cite the issues of 'unfunded mandates' were identified as a key pinch point for councils in the Te Arotake Future for Local Government Interim Report.

10.10) We highlight the potential issues that could arise from excluding 'compostable bin liners' from the list of materials allowed in kerbside collections. We share feedback from our experience with residents who do not want to put food scraps into bins without a liner as this is hard to clean and can cause odour issues.

10.11) We note and give reasoning as to why a diversion rate of 70 percent is unrealistic in a Wellington context. We suggest that 50 per cent may be a more appropriate target within the New Zealand context.

10.12) We state that we would like to see more emphasis on 'waste minimisation' and circular economy principles considered in the creation of potential collection targets. The better that people get at minimising household waste, the less waste will be available for recycling.

Separation of business food waste

10.13) We agree with the Ministry's proposal that commercial businesses should be expected to divert food waste from landfills as part of reducing their emissions by 2030.

10.14) We believe that councils could play a strong role to assist with behaviour and practical changes/solutions required to implement these decisions.

Kōwhiringa | Options

11. The Council may choose to:

- Approve the submission by the consultation closing date.
- Make amendments to the submission before approving by the agreed closing date.
- Approve a selection of the proposed responses in **Appendix Two**. The Council does not have to respond to all questions.
- Not approve the submission.

12. Our recommendation is to provide a Council submission as the outcome of these decisions may eventually impact territorial authorities.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

13. The proposed submission responses are consistent with the Council's strategies and policies.

Engagement and Consultation

14. As this is an open consultation led by the Ministry, no Council consultation has been conducted. Our submission is subject to the Official Information Act 1982, and the Ministry may choose to publish all or parts of our responses on their website.

Implications for Māori

15. During the development of this consultation, the Ministry founded a *CRS Scheme Design Working Group* (SDWG) that included Māori perspectives alongside recyclers, retailers and container manufacturers.
16. The Ministry state that the proposed principles of a circular economy have been championed by a number of community organisations, iwi, and Māori.

Financial implications

17. There are no known financial implications at this stage as this consultation is still in the early stages. Our submission reiterates the issues of 'unfunded mandates' as a key pinch point for councils, and states that these policy decisions must be met with appropriate funding from central government.
18. The impact of a NZ CRS will likely divert a substantial number of recycled materials from kerbside collections. Any loss of volume at kerbside could have a knock-on effect in reducing the need for fortnightly collection services. Depending on the uptake of the CRS, this could reduce the councils spend on the frequency of service for collections.
19. There is also a potential funding opportunity for the Council to recoup the deposits from qualified beverage containers that are recycled at normal kerbside (instead of through the CRS). The actual amount of this potential funding cannot be quantified at this point in time.

Legal considerations

20. There are no legal implications relating to the Council's submission.
21. Depending on the outcome of this central government decision, these recycling policies could impact on current contractual obligations with our existing kerbside management network.

Risks and mitigations

22. This proposal is led by the Ministry, and our submission harnesses the opportunity to guide the proposed changes in consideration of the implications for territorial authorities.
23. Overall, this proposal is rated as low risk on the Council's risk framework.

Disability and accessibility impact

24. This consultation does not discuss accessibility issues for disabled people.

Climate Change impact and considerations

25. The proposed initiatives to improve household kerbside recycling performance and divert business food waste from landfills should, in turn, achieve the Government and Wellington City Council objectives of lowering emissions to prevent and limit further

impacts from climate change and moving to a circular economy in which no materials are wasted.

Communications Plan

26. A communications plan is not required.

Health and Safety Impact considered

27. There are no health and safety concerns relating to the Council's submission.



Ngā mahinga e whai ake nei | Next actions

28. If the Pūroro Waihanga | Infrastructure Committee approve this submission, it will be submitted electronically by the agreed closing date.

29. If the Council declines the submission, officers will inform the Ministry that we will no longer provide a submission.

Attachments

Attachment 1.  Transforming Recycling - Snapshot Summary of Consultation

Attachment 2.  Transforming Recycling - Proposed Submission 

Part:

1

A snapshot



Te panoni i te hangarua Transforming recycling

Kaupapa Whakahoki Ipu Container Return Scheme



Ministry for the
Environment
Manatū Mō Te Taiao



Te Kāwanatanga o Aotearoa
New Zealand Government

We all want to do the right thing

Recycling rates in Aotearoa New Zealand are low compared to other countries with better systems, and we have too much litter in our environment.

- ▶ Large amounts of recyclable materials are lost to landfill. This results in lost resources and business opportunities.
- ▶ We want to reduce waste, litter, and emissions and increase resource recovery and the recycling of materials into new products. Importantly, it needs to be easy for people and businesses to do the right thing.
- ▶ We need to transform our systems to build a more circular future where everyone reduces waste, reuses products, and recycles the resources they use.

Many countries have already gone on this journey, and so we have great examples to learn from. That's why we're proposing to put the right foundations in place to bring our recycling systems up to global standards, lift the performance of Aotearoa New Zealand's recycling, and build a low-emissions, low-waste economy.

Have your say on our proposals to make recycling easier and better

We are consulting on three proposals related to transforming recycling in New Zealand:

<p>1</p> <p><i>Part 1</i></p> <p>Container Return Scheme</p>	<p>2</p> <p><i>Part 2</i></p> <p>Improvements to household kerbside recycling</p>	<p>3</p> <p><i>Part 3</i></p> <p>Separation of business food waste</p>
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These three proposals are part of a longer-term shift toward a circular economy, where packaging is made of materials that maintain their value, are easy to recycle sustainably and have a low impact on the environment.

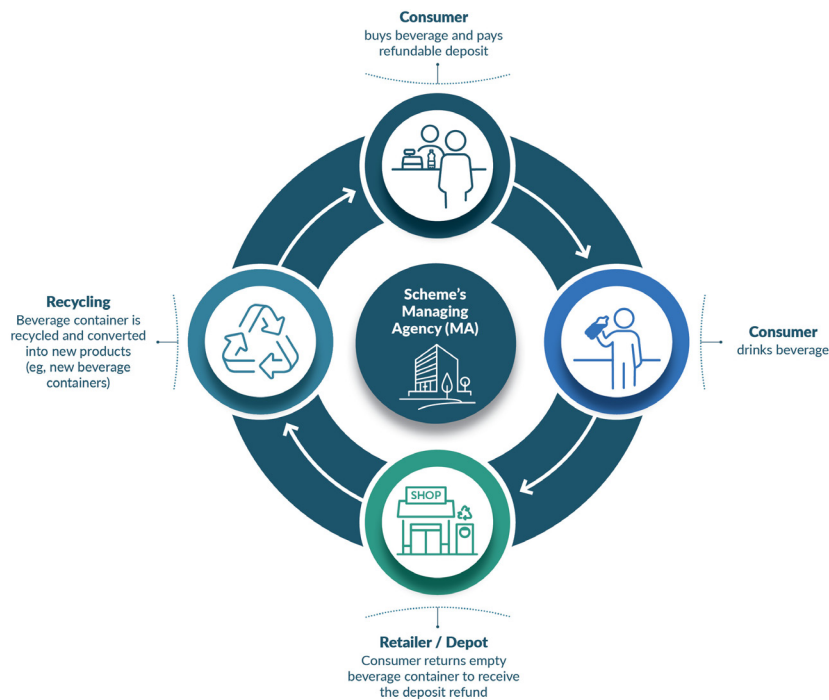
The consultation will run from 13 March to 8 May 2022.

This snapshot gives an overview of Part 1: Container Return Scheme.

For more detail, please refer to the [full consultation document](#).

What is a container return scheme?

A container return scheme (CRS) incentivises people to return their empty beverage containers for recycling and/or refilling in exchange for a small refundable deposit.



Overseas, container return schemes have successfully reduced beverage container litter and increased recovery and recycling rates. Some schemes, such as South Australia's,

have been operating since the 1970s and continue today. New Zealand also had similar schemes operating until the 1980s, which many people may remember.

Why do we need a container return scheme?

Our existing systems don't incentivise people to recycle beverage containers, particularly away from home (such as, at a park or beach, while at work, traveling or eating out).

New Zealand's recovery rates of beverage containers are relatively low, particularly when compared to countries overseas that have container return schemes in place.

Each year around 1.7 billion beverage containers are stockpiled, littered¹ or landfilled in New Zealand.

A CRS is complementary to kerbside recycling systems, as it improves recycling outcomes both at and away from home.

The main aim of a CRS is to collect as many beverage containers as possible, so that more containers can be recycled and fewer containers are littered, stockpiled or landfilled.

A NZ CRS could increase beverage container recovery to 85 per cent or higher, which means that the scheme could receive over 2 billion beverage containers annually for recycling. This would see an increase of over 1 billion containers recycled annually.

¹ National litter data shows that beverage containers make up 66 per cent of recognisable branded litter and 24 per cent of all litter in New Zealand (Keep New Zealand Beautiful National Litter Audit, 2019).

Proposals for a container return scheme

In considering whether to implement a scheme, we are seeking feedback on what a scheme for New Zealand could look like. Key proposals are summarised below.

Refundable deposit amount

Globally, container return schemes 'add' a refundable deposit to the normal price of eligible drinks to incentivise consumers to return their empty drink containers for a refund. The consumer gets their deposit back when they return the empty drink container to a collection point for recycling.

We are proposing that the NZ CRS would apply a 20-cent refundable deposit to all eligible beverage containers within the scheme. The refundable deposit would also attract GST.

Benefits of a 20-cent deposit

- ▶ stronger incentive to return the container for the refund, meaning a higher return rate
- ▶ reducing beverage container litter, because in addition to recycling their own containers, people are also incentivised and more likely to pick up littered containers for their deposit value
- ▶ aligns closely with deposit levels of higher-performing schemes overseas
- ▶ enables groups like sports clubs and schools to run litter clean ups and charity drives for containers that deliver greater benefits to their organisation.

Scheme fees

The core costs of a CRS (aside from the refundable deposit) are covered by a non-refundable scheme fee, which is likely to add another 3–5 cents per container to the refundable deposit.

Scheme fees are a core financial elements of CRS globally. The scheme fees cover the operational costs of a CRS, such as, handling fees (payment for container return point operators per container), transportation costs of the recovered materials, consolidation facility operations, and scheme administration.

While this proposal necessarily assumes 100 per cent pass through of scheme costs to consumers, overseas evidence shows the actual costs passed onto consumers can vary from product to product. Further, upon scheme commencement, many consumers may simply buy slightly fewer beverage containers rather than simply pay more for the same product.

While important, the deposit amount is one factor in the success of a CRS. If the NZ CRS also has a return-to-retail take-back requirement as proposed, we expect a recovery target of 85 per cent by year three and 90 per cent by year five is achievable with a 20-cent deposit amount.

We are also seeking feedback on your preferences for the deposit refund when you recycle. For example, is the refund provided in cash, an electronic funds transfer, vouchers, the option to donate to local community organisations/charities, some or all of these options, etc).

Which beverage containers would be included?

We are proposing to include a broad scope of beverage containers in a NZ CRS, to make it easy and convenient for people to understand and use the scheme.

The size of eligible beverage containers is proposed to be 3 litres and smaller.

Fresh white milk is exempted in all packaging types. This includes cream but not beverages that are long-life or partially dairy/milk-based, (eg, flavoured milk, smoothies, drinkable yoghurt and plant-based milk alternatives).

This will increase recovery, reduce litter, and ensure a level-playing field for beverage producers.

Included

✓		All single-use metal beverage containers (eg, aluminium and metals such as steel, tinplate and bimetals)
✓		All single-use glass beverage containers (all colours of glass)
✓		All single-use plastic beverage containers (PET 1, HDPE 2, and PP 5; recyclable bio-based PET 1 and HDPE 2)
✓		All single-use liquid paperboard beverage containers (except fresh milk)

Not included

✗		Any beverage container made from a material other than metal, plastic, glass, or liquid paperboard (including pouches, bladders, and compostable or biodegradable plastics) <small>EXCLUDED FOR NOW</small>
✗		Fresh milk in all packaging types <small>EXEMPT</small>
✗		Beverage containers that are intended for refilling and have an established return/refillables scheme <small>EXEMPT</small>
✗		All cups (including coffee cups) <small>OUT OF SCOPE</small>

Refillable containers

Refillable containers could play an important part in transitioning New Zealand to a low-carbon circular economy, but at this stage refillables are proposed to be exempt from the scheme. We are interested to hear whether you think refillables should be included in a NZ CRS in the future.

Where to return your containers

It's essential that it is easy for consumers to return their containers for the deposit refund.

The proposed network would have a mixture of retailer take-back requirements and depot-drop-off options, giving consumers and businesses options for easy recycling. Retailers that sell beverages (such as supermarkets and potentially retailers such as bottle stores, dairies and services stations) could be required to take back empty containers for recycling and provide deposit refunds to consumers. Overseas this is commonly done with reverse vending machines (RVMs).

Retail drop-off locations would provide accessible and convenient container return/refund points at places where people visit already (eg, supermarkets).

The proposed mixed-return model also includes depots for consumers to drop off their containers, as well as for larger commercial volumes of containers, such as from the hospitality sector.

This would provide opportunities for hapū/iwi, recyclers, community organisations, charities, and any entrepreneurial businesses to participate in the network, while also ensuring a high level of convenience via centrally located retail locations.

We are seeking feedback on the level of retail participation in a NZ CRS – in particular, what size and type of retailer should be required to take back eligible beverage containers.

Supermarkets sell the majority of single-use beverage containers in New Zealand, and 95 per cent of New Zealanders live within a 20-minute drive of a supermarket. Retailers, including supermarkets, could take greater responsibility for the products that they sell, by providing convenient drop-off points for consumers across New Zealand.¹

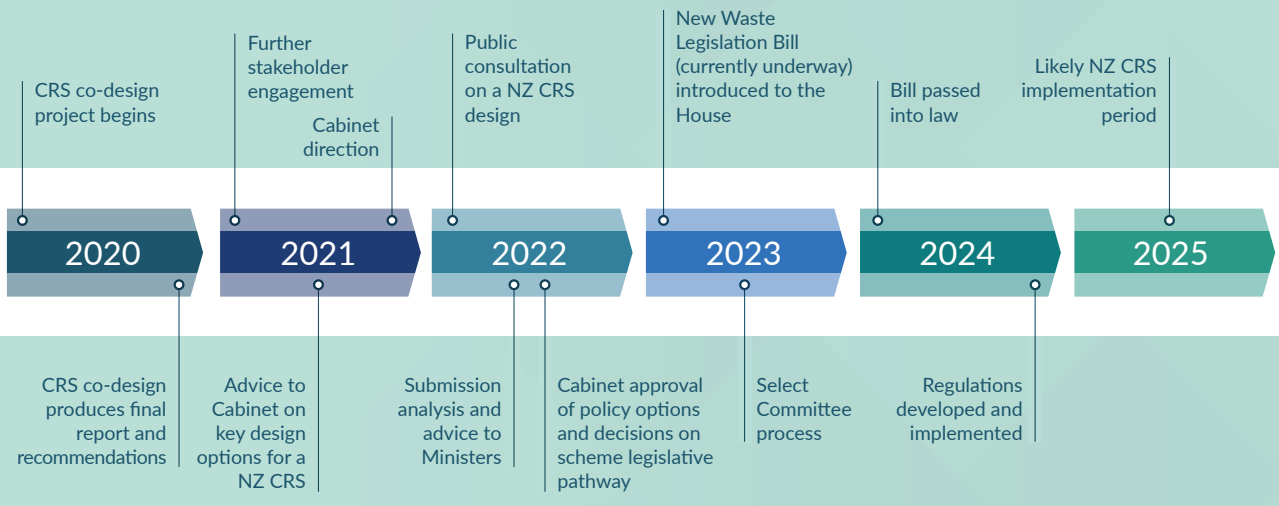


Other considerations

The [full consultation document](#) gives more detail on considerations such as scheme fees, the deposit financial model, the proposed model for managing and governing the scheme, the network and retail take-back, and recovery targets.

1 GS1 and PWC estimates for national beverage container sales suggest supermarkets are the primary channel for sales in New Zealand.

Timeline for implementing a container return scheme if a scheme is to proceed (subject to change)



E whāia ana e mātou kia piki ake ai te hangarua i ngā ipu inu, kia whakamimiti i te parahanga me te whakamimiti tukunga hoki.

We're aiming to increase the recycling of drink containers, reduce litter and reduce emissions.

Part:

2

A snapshot



Te panoni i te hangarua Transforming recycling

Te whakapiki i te hangarua paeara ā-kāinga

Improvements to household kerbside recycling



Ministry for the
Environment
Manatū Mō Te Taiao



Te Kāwanatanga o Aotearoa
New Zealand Government

We all want to do the right thing

Recycling rates in Aotearoa New Zealand are low compared to other countries with better systems, and we have too much litter in our environment.

- ▶ Large amounts of recyclable materials are lost to landfill. This results in lost resources and business opportunities.
- ▶ We want to reduce waste, litter, and emissions and increase resource recovery and the recycling of materials into new products. Importantly, it needs to be easy for people and businesses to do the right thing.
- ▶ We need to transform our systems to build a more circular future where everyone reduces waste, reuses products, and recycles the resources they use.

Many countries have already gone on this journey, and so we have great examples to learn from. That's why we're proposing to put the right foundations in place to bring our recycling systems up to global standards, lift the performance of Aotearoa New Zealand's recycling, and build a low-emissions, low-waste economy.

Have your say on our proposals to make recycling easier and better

We are consulting on three proposals related to transforming recycling in New Zealand:

<p>1</p> <p><i>Part 1</i></p> <p>Container Return Scheme</p>	<p>2</p> <p><i>Part 2</i></p> <p>Improvements to household kerbside recycling</p>	<p>3</p> <p><i>Part 3</i></p> <p>Separation of business food waste</p>
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These three proposals are part of a longer-term shift toward a circular economy, where packaging is made of materials that maintain their value, are easy to recycle sustainably and have a low impact on the environment.

The consultation will run from 13 March to 8 May 2022.

This snapshot gives an overview of Part 2: Proposal to improve household kerbside recycling. For more detail, please refer to the [full consultation document](#).

New Zealand's kerbside recycling and food scraps collections are underperforming

Kerbside recycling and food scraps collections are the main way households divert waste from landfill, returning resources to the economy and reducing climate emissions from our waste.

Our recycling collections could perform better. Only a third of household materials placed at kerbside are collected for recycling, with the rest placed in the rubbish.

What is accepted in recycling collections varies across the country, causing confusion.

Food scraps in landfills are changing our climate. More than 300,000 tonnes of food scraps are sent to New Zealand landfills every year, rotting and producing methane, a potent greenhouse gas. Food scraps are estimated to contribute 22 per cent of New Zealand's emissions from landfills.

The proposals below aim to increase the quality and quantity of materials collected for recycling, reducing climate emissions, recycling resources through our economy and returning nutrients to our soil.

Have your say on transforming recycling in Aotearoa New Zealand

We are consulting on two core proposals, supported by four additional proposals, to make it easier for people to recycle at home. We are seeking feedback on the proposals and what they would mean for your household.

Core proposals:

1. **Collect a standard set of materials in household kerbside recycling across New Zealand.** To reduce confusion and improve the quality and quantity of collected recycling.
2. **Provide urban households with food scraps collections.** To reduce climate emissions and recycle nutrients back to the soil.

Supporting proposals:

3. Require reporting for both council and private-sector household kerbside collections.
4. Set councils a minimum baseline performance and a high achieving target for household kerbside diversion.
5. Consider requiring the separation of glass or cardboard and paper.
6. Require all councils to provide a kerbside dry recycling collection to urban households.

The consultation document [Transforming recycling](#) provides more details about the supporting proposals.

What materials will be collected at kerbside?

We are interested in whether you think these materials are the right ones to collect in household kerbside recycling across the country.

Proposed materials for kerbside collection:



Glass bottles and jars



Paper and cardboard



Plastic bottles and containers
1, 2, and 5



Aluminium and steel tins and cans

When selecting these materials we considered:

- ▶ whether the material has sustainable end markets
- ▶ how many councils already collect the material (to minimise disruption)
- ▶ whether efficient sorting technology is available
- ▶ whether both manual and automated recycling sorting facilities can process the material.

Ka whakamāmā ake mātou i te ara mā te tangata ki te mahi hangarau tika.

We are going to make it simpler and easier for people to recycle right.

What is a food scraps collection?

All households produce food scraps of some kind, such as rotten fruit, leftovers, onion skins and old bread. Some households compost food scraps but many cannot or choose not to.

A kerbside food scraps collection works much like a recycling collection: households set aside their scraps and each day empty them into a 23-litre bin stored outside.

Once a week the bin is placed at kerbside for collection, usually at the same time as your recycling and rubbish collections.

The collected food scraps are processed into compost or anaerobically digested. These processes return the nutrients back to the soil to grow more food, closing the loop on our food system. Keeping food scraps out of landfill also reduces our emissions.



Photo credit: Auckland Council

Why are we proposing these changes?

A transformed recycling system in New Zealand will increase the quality and quantity of materials collected for recycling, reduce emissions, and recycle more resources through our economy and nutrients back into our soil.

Proposal	Why?
<p>1 Collect only a standard set of materials in kerbside recycling and food scrap collections</p>	<p>To ensure the same items can be recycled right around the country.</p> <p>This will reduce confusion and allow consistent national messages about recycling. The aim is to increase the amount recycled and decrease the number of incorrect items placed in recycling.</p> <p>It will also allow businesses to design packaging that can be recycled right around the country and provide quality resources and scale to the local recycling sector.</p>
<p>2 All councils provide a kerbside food scraps collection to urban households*</p>	<p>The more households that have access to food scraps collections, the easier it is to divert food scraps from landfill, reducing emissions and recycling nutrients back to the soil.</p>
<p>3 Require reporting for both council and private kerbside collections</p>	<p>Reporting how much is collected allows us to track our progress towards increased recycling, lower emissions and a circular economy.</p>
<p>4 Set councils a minimum baseline performance and a high achieving target for kerbside diversion</p>	<p>To encourage more effective kerbside collections and ensure we are all playing our part to reduce emissions and wasted resources.</p>
<p>5 Consider collecting glass or cardboard and paper separately</p>	<p>Broken glass lowers the value, and can prevent the recycling of other materials, particularly paper and cardboard.</p>
<p>6 All councils provide a kerbside recycling collection to urban households*</p>	<p>To make it easier for all New Zealanders to help reduce emissions and wasted resources.</p>

*households in towns with more than 1,000 residents.

Part:

3

A snapshot



Te panoni i te hangarua Transforming recycling

Te whakawehe i ngā para kai ā-pakihi Separation of business food waste



Ministry for the
Environment
Manatū Mō Te Taiao



Te Kāwanatanga o Aotearoa
New Zealand Government

Food waste in landfills is changing our climate

More than 300,000 tonnes of food waste are sent to New Zealand landfills every year. Like other materials that rot, food waste in landfill produces methane, a potent greenhouse gas.



Food waste is estimated to contribute 22 per cent of New Zealand's emissions from landfills that accept general household and business waste. To meet our national emissions targets, the Climate Change Commission has recommended we aim to reduce emissions from all landfills by at least 40 per cent by 2035.

In some parts of New Zealand, businesses have access to food waste collections, but in other areas they do not. An estimated 25 per cent or more of all food waste sent to landfill comes from businesses – approximately 75,000 tonnes today, rising to an estimated 100,000 tonnes by 2030.

To reduce food waste sent to landfill, the Government is proposing that all businesses should separate food waste from general waste and that households should be provided with a kerbside food scraps collection.

As well as reducing our climate emissions, the food waste diverted from landfills can be used to feed animals, improve soil quality, and generate energy.

We are seeking your feedback on this proposal and what this would mean for your business.

We expect that all businesses would need to provide space for one or more separate food waste bins and train staff to use them.

Businesses could choose what they do with their food scraps once separated. Scraps could be used as stock food or turned into compost or digestate. Businesses would also be encouraged to reduce their food waste, look for opportunities to donate edible food or explore opportunities for upcycled food products.



Proposal to separate business food waste:

Require all businesses to collect food waste separately from other waste materials.

To reduce climate emissions and recycle nutrients back into our soil.

Food waste separation could be phased in

Parts of New Zealand with existing food-waste-processing facilities could begin separating their food waste sooner.



The phase-in could also align with the introduction of household food scrap collections, providing economies of scale and reducing the costs for both households and businesses.



A requirement to separate food waste could be applied first to businesses more likely to produce larger amounts of food waste, for example, businesses registered under the Food Act 2014.



We are seeking your feedback on the different ways a requirement to separate food waste could be introduced and how it would affect your business.

*Hei te 2030, ka hiahia mātou kia kopana ake ngā pakihi
me ngā kāinga i ngā toenga kai o ā rātou ipupara.*

*By 2030, we want all businesses and households to separate
food scraps from their rubbish.*

Ministry for the Environment – ‘Transforming Recycling’ – Wellington City Council Submission

Question	Background for Councillors	WCC Answer	Comments to support response
<i>Part 1: Container Return Scheme (NZ CRS)</i>			
1	Do you agree with the proposed definition of a beverage?	<p>Proposed definition: ‘beverage’ means a liquid substance that is intended for human consumption by drinking. This includes concentrates and cordials (given that it does not specify that a beverage needs to be ‘ready to drink’) and beverages such as smoothies, etc.</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	
2	Do you agree with the proposed definition of an eligible beverage container?	<p>An eligible ‘beverage container’ refers to a vessel or casing of a beverage (regardless of whether it is sold alone or as a unit in a multipack) that is sealed in an airtight and watertight state at the point of sale.</p> <p>This would mean that open beverage containers (e.g., cups and coffee cups), and non-beverage containers (e.g., ice cream tubs) are out of scope and would not be included in the scheme.</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>a) Yes. However, we note that the ‘beverage container’ definition provided should capture items such as bladders and pouches, however, the CRS currently excludes bladders and pouches from its scope.</p> <p>b) Wellington City Council (WCC) are pleased to see that the Ministry also has other work programmes underway to address non-beverage packaging cups, including:</p> <ul style="list-style-type: none"> • standardising household kerbside recycling, which captures most ‘non-beverage’ materials (Part 2 of this document). • phasing out some hard-to-recycle packaging plastics. • declaring non-beverage plastic packaging as a priority product for a regulated product stewardship scheme. • investing in onshore recycling plant technology through the \$124 million COVID-19 Response and Recovery Fund investment. • establishing the \$50 million Plastics Innovation Fund.
3	Do you support the proposed refund amount of 20 cents?	<p>The refundable deposit is an amount of money that is added to the normal price of a beverage, which is then refunded to incentivise consumers to return their empties for recycling.</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>a) WCC agree with the proposed refund amount of 20-cent as an initial deposit amount for the Container Return Scheme (CRS). We believe this figure should be subject to periodic review to align with assessments of the scheme and the consumer price index (CPI).</p>

		<p>The Ministry propose that a 20-cent (GST exclusive) refundable deposit is applied to all eligible beverage containers within the NZ CRS.</p> <p>They argue that a 20-cent deposit would create a stronger incentive for consumers to return containers for a refund, reduce beverage container litter, be more closely aligned with deposit amounts of higher-performing schemes overseas, and deliver greater community benefits.</p>		<p>b) We believe that a 20-cent refund will be easily absorbed into the total cost of the purchase yet be enough of an incentive for consumers to recycle as this amount would add up quickly over multiple deposits.</p> <p>c) Our support for the 20-cent refund amount (and the CRS more broadly) is subject to the availability and convenience of container return stations that allow consumers to recycle their empty beverage containers and access the refund process.</p> <p>d) Whilst a higher deposit amount may be considered more of an incentive to recycle, we are mindful that the consumer is required to cover this cost at purchase, and any price that is added on top of the normal price of a beverage should be considered against the overall cost, equity impact and affordability of living in New Zealand.</p>																																										
4	<p>How would you like to receive your refunds for containers? Please answer all that are relevant and select your preference.</p>		[Select all that apply]	<table border="1"> <thead> <tr> <th></th> <th>Strongly preferred</th> <th>Preferred</th> <th>No preference</th> <th>Not preferred</th> <th>Strongly against</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td>Electronic funds transfer (eg, through a scheme account or mobile phone app)</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td>Vouchers (for cash or equivalent value product purchase)</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td>Donations to local community organisations/charities</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td>Access to all options</td> <td><input checked="" type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> <tr> <td>Other</td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> <td><input type="radio"/></td> </tr> </tbody> </table>		Strongly preferred	Preferred	No preference	Not preferred	Strongly against	Cash	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Electronic funds transfer (eg, through a scheme account or mobile phone app)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Vouchers (for cash or equivalent value product purchase)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Donations to local community organisations/charities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Access to all options	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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5	<p>Do you support the inclusion of variable scheme fees to incentivise more recyclable packaging and, in the future,</p>	<p>Eco-modulation is a variable fee pricing mechanism that can be used to improve waste minimisation and circular economy outcomes. The eco-modulation of fees incentivises producers to improve the environmental sustainability of their product design.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Absolutely. WCC are committed to improving waste minimisation and principles of a circular economy.</p> <p>b) We strongly support variable scheme fees based on how much it costs to collect, transport, reuse or recycle a package. It is fair that producers who choose packaging that is more costly to collect, transport and process should pay more to cover that extra cost.</p> <p>c) We also support eco-modulation of fees to reflect the environmental impacts of different packaging types and thus incentivise the use of more reusable and recyclable packaging.</p>																																										

	reusable packaging?	If a NZ CRS proceeds, eco-modulation criteria and/or more specific recycling targets would need to be developed with the industry and through further engagement and consultation on regulations.		<p>d) In relation to recycling, we support the distinction between closed-loop/container-to-container recycling (more desirable) and downcycling (less desirable), being reflected in the scheme fees. Eco-modulation should also be sensitive to design features that hinder recyclability, such as colouring in PET bottles. Ensuring products and materials that are downcycled attract higher scheme fees will incentivise producers to shift to packaging that is more circular.</p> <p>e) For example, PET bottles that are recycled locally at Flight Plastics back into food-grade PET products should incur significantly lower fees than liquid paperboard which is 'downcycled' into a different product, not for food, and which can't be recycled again.</p>
6	Do you agree with the proposed broad scope of beverage container material types to be included in the NZ CRS?	The Ministry propose that all single-use beverage containers would be in the scope of the scheme if they are made from one or more of the following frequently bought materials: glass, plastic (PET 1, HDPE 2, PP 5 and recyclable bio-based HDPE 2 and PET 1) metal (e.g., aluminium and non-ferrous metals such as steel, tinfoil and bimetal) and liquid paperboard.	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes. We believe that including a broad scope of container materials will make the NZ CRS easier to understand and less confusing for consumers and businesses, which will lend itself to a more effective programme with greater uptake.</p> <p>b) The inclusion of multiple material types will support a level playing field for beverage producers, however, there is a risk that by offering exemptions (for items such as bladders and pouches) there may be an incentive for manufacturers to switch to less sustainable containers and therefore sit outside the scheme. This is a strong case for all beverage containers to be included, or not be permitted for sale at all.</p> <p>c) We are unclear why fresh milk has been excluded as an eligible beverage container type (more detail in question 9).</p>
8	Do you support a process where alternative beverage container packaging types could be considered on a case-by-case	Beverage containers that are not within the scope of the proposed NZ CRS could be considered for inclusion later at a later stage (subject to development with the industry and further consultation).	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p>	<p>a) Yes, we believe it is important that the scheme is adaptive to change, and we are happy that the Ministry is proposing new bespoke legislation that will help enforce and regulate the CRS.</p> <p>b) We would like to see pouches, bladders and fresh milk be considered for eligibility within the CRS scheme.</p>

	basis for inclusion within the CRS?			
9	Do you agree with the proposal to exempt fresh milk in all packaging types from the NZ CRS?	<p>The Ministry describe ‘fresh milk’ as white dairy milk that requires refrigeration. This definition includes cream but does not include beverages that are shelf-stable (long-life) or partially dairy/milk-based, such as (but not limited to) drinkable fermented dairy drinks like kefir, flavoured milk, smoothies, drinkable yoghurt and plant-based milk alternatives (eg, oat, almond, coconut and soy).</p> <p>They propose to exempt fresh milk in all packaging types, meaning that fresh milk would not be eligible for a refundable deposit.</p>	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p>	<p>a) We have been unable to source a strong enough justification for the exclusion of fresh milk within the consultation document. Without such justification, the Ministry may risk transparency as this is currently seen as a stakeholder issue, rather than routed in principle.</p> <p>b) Whilst we understand that the Ministry are targeting away from home recovery, and fresh milk is typically consumed at home, it is unclear why this rationale does not extend to beverages such as kefir and plant-based milk alternatives (which are eligible for a CRS yet would typically be consumed at home).</p> <p>c) WCC cannot overstate the importance of standardising recycling for an effective programme that reduces confusion for consumers. By this logic, and the rationale for broadening the scope of materials (as outlined in question 6), we believe fresh milk should be included.</p> <p>e)d) Such exclusions leave the cost burden of collection and recycling with councils/ratepayers rather than the manufacturers/retailers/consumers.</p>
12	Do you agree that refillable beverage containers with an established scheme are exempt from NZ CRS at this stage?	<p>Further investigation is required to understand how CRS infrastructure could support a future shift toward reusable/refillable containers. A national refillable beverage system would require bespoke logistical management, and national or regional collection and sterilisation infrastructure.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes. We support the exemption of beverage containers that are intended for refilling and already have an established return/refillable scheme from the NZ CRS, at this stage.</p> <p>b) It would be useful to see a timeline for the Ministry’s inclusion of refillable containers into the CRS, and how these fit with a shift to the top of the waste hierarchy.</p> <p>c) We would like to see a strong definition of a ‘refillable scheme’ to avoid any confusion for businesses.</p>
13	Should there be a requirement for the proposed NZ CRS to support the New Zealand refillable market (eg, a refillable target)?	<p>The Ministry propose that ‘future-proofing’ provisions for refillable containers would be included in any new CRS legislation. These provisions would enable refillable containers to be incentivised in the future once further work has been completed, for example, by using an eco-modulation fee and/or refillable targets.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) WCC support the move from a linear economy to a circular economy and believe refillable containers will have an important role to play in this transition.</p>

14	Do you have any suggestions on how the Government could promote and incentivise the uptake of refillable beverage containers and other refillable containers more broadly?		[please explain your answer]	<ul style="list-style-type: none"> a) The Government could investigate options to give tax concessions to refillable beverage companies. This could be financed through excess funding from the CRS and distributed through a contestable fund. b) Supporting refillable companies will enable more of a level playing field for businesses that have to compete with more established corporations that may offer cheaper but less environmentally friendly products to consumers. c) For these programmes to succeed and gauge optimal uptake, there must be accessible and sufficient refillable stations/shops, which would benefit from government support.
16	Do you agree that the size of eligible beverage containers would be 3 litres and smaller?	<p>Analysis of NZ supermarket sales data has shown that 99% of all beverage containers sold via supermarkets are 3 litres or under.</p> <p>The Ministry propose that eligible beverage containers would be 3 litres and smaller, with no lower size limit for beverages.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<ul style="list-style-type: none"> a) Yes! We think this approach is more inclusive and will capture the majority of eligible beverage containers for recycling. b) The size of eligible beverage containers of 3 litres or smaller is also consistent with WCC’s kerbside recycling policy (currently collecting items 3 litres or smaller). c) The legislation may also want to consider clauses to reduce any perversion of the rules, i.e., in the case of companies adjusting their beverage container to 3.1 litres to be excluded from the scheme.
17	Do you think that consumers should be encouraged to put lids back on their containers (if possible) before they return them for recycling under the scheme?	Beverage lids and caps are often littered. A CRS could also provide a service to collect and recycle beverage lids. Beverage lids can include tethered caps, metal pull-tabs (eg, on cans), metal crown caps (eg, beer bottle caps), metal screw bottle tops (eg, wine caps), plastic or metal ring-pull caps, and plastic screw caps.	<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<ul style="list-style-type: none"> a) Unsure. We are glad to see that the reverse vending machines will be designed to reject contaminated beverages within the CRS, which supports a “lids on” approach. b) However, the final decision should be considered in tandem with kerbside arrangements to ensure similar messaging for the public. For example, WCC’s current kerbside messaging is centred around a “lids-off” approach, with our preference to have bottles and lids separated (to mitigate contaminated recycling). c) The CRS should be accompanied with targeted messaging around emptying and rinsing bottles prior to recycling.

18	Do you agree that the scheme should provide alternative means to capture and recycle beverage container lids that cannot be put back on the container?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>If yes, how should they be collected?</p>	<p>a) Yes, absolutely! To make it easier for consumers, the scheme could still accept lids separately but at the same CRS unit/station.</p>
19	Do you agree that a NZ CRS should use a 'mixed-return model' with a high degree of mandated retail participation as well as the opportunity for voluntary participation in the network?	<p>The Ministry propose a higher degree of mandated retail participation for supermarkets. On average, over 95 per cent of NZ's live within a 20-minute drive of a supermarket (679 sites).</p> <p>A mixed-return model would still offer opportunities for voluntary participation to hapū/iwi, recyclers, community organisations, charities and entrepreneurial businesses.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes. We agree that requiring supermarkets to participate in the scheme and provide facilities to take back empty containers will provide the majority of NZ's population with an accessible and convenient return point.</p> <p>b) In addition to supermarkets, WCC want to ensure that resource recovery centres and transfer stations are sufficiently represented. We are interested in the application process for securing a CRS in non-mandated locations, and what assurance this will have for councils.</p> <p>c) Whilst this mixed model should support CRS access for a majority of New Zealanders, WCC are conscious of how this scheme will impact the living cost for those with accessibility issues, who may purchase their groceries online, and may not have easy access to recycling stations.</p>
20	Where would you find it easiest to return eligible beverage containers? Please answer all that are relevant and select your preference.	<p>Commercial recycling facility: eg, depot, more likely to be located in industrial zone.</p> <p>Other community centres/hubs: eg, town hall, sports club, etc.</p> <p>Local retail outlet that sells beverages: eg, dairy, convenience store, bottle shop, petrol station.</p>	[See the next column]	

				Strongly preferred	Preferred	No preference	Not preferred	Strongly against	
				Commercial recycling facility	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Waste transfer station	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Other community centres/hubs	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Local retail outlet that sells beverages	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Supermarket	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Community recycling/resource recovery centre	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Shopping centre/mall	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
				Other: please specify here					
				Other: We would like to see facilities such as WCC's Tip Shop and Recycle Centre as a location for the CRS. We also think parks and areas that workers frequent for lunch breaks would be appropriate and effective locations (anything to promote the ease of use).					
24	Do you agree with the proposed 'deposit financial model' for a NZ CRS?	The Ministry is proposing that the NZ CRS would have a deposit financial model (rather than refund/redemption). Under the deposit model, beverage producers pay for scheme fees and deposit fees on all eligible containers	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	a) Yes. We are very supportive of the use of the deposit financial model. The additional funding from beverage containers not redeemed by the consumer will help to offset the scheme operating costs, which lowers the scheme fees for consumers and helps make the programme more sustainable.					

		<p>sold to market, regardless of whether the containers are returned through the CRS. This ensures that beverage producers are not incentivised towards lower return rates. Most of the best-performing schemes globally (eg, European schemes) use a deposit financial model.</p> <p>Under the refund model, beverage producers would only pay the deposit fee and scheme fees for the number of containers returned for recycling. For example, if only 50 per cent of containers sold to the market are returned through a CRS, the beverage producer would only need to pay 50 per cent of the deposit amount to the managing agency. However, scheme fees would be higher as there would be no unclaimed deposits to offset the scheme fee cost.</p>		<p>b) Although the refund model reduces the up-front financial contribution of beverage producers to the CRS, the risk is that producers managing the scheme are incentivised towards lower return rates over the life of the scheme (i.e., the fewer containers that are returned, the fewer producers are required to pay into the scheme). We would like to see a cost/benefit analysis of the scheme.</p>
25	Do you agree that a NZ CRS would be a not-for-profit, industry-led scheme?	<p>Central government would play a key role in the establishment of a scheme, then move into an oversight role. Legislation would set out requirements for a government agency (such as the MfE) to act as the central regulator for the scheme. The management agency could be led by retailers, beverage producers, recyclers or any combination of industry representatives.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) We support setting the NZ CRS up as a not-for-profit to ensure that the scheme revenues are solely used to support the operation of the CRS scheme.</p> <p>b) This scheme needs to be well regulated with high degrees of transparency and accountability to the Government.</p>
26	Do you agree with the recovery targets for a NZ	<p>MfE propose that if these targets are not met at either year 3 or 5, or maintained after year 5, then the</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p>	<p>a) We support the proposed recovery targets. We hope that New Zealand can join other high performing countries that have proven that such</p>

	CRS of 85 per cent by year 3, and 90 per cent by year 5?	Government would review the proposed deposit amount of 20 cents and the structure of return points and consider an increase in the deposit amount.		ambitious targets are achievable (Germany, Denmark, Finland, Croatia, Netherlands, Iceland, Norway, Sweden, Lithuania) ¹ . b) The setting of these targets depends on the successful incorporation of strong design characteristics, which allow for a high-performing scheme.
27	If the scheme does not meet its recovery targets, do you agree that the scheme design (including the deposit level) should be reviewed and possibly increased?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	a) Yes, we agree that the scheme design and 20-cent deposit level should be reviewed.
28	Do you support the implementation of a container return scheme for New Zealand?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	a) Yes. We would like to thank the Ministry for incorporating the CRS within its Transforming Recycling proposal. b) Whilst WCC supports the implementation of a container return scheme for New Zealand, we would like to know what economic efficiency checks have been completed to assess the cost/benefit of the scheme when compared to the financial costs associated with powering reverse vending machines, the additional effort required for people to transport containers to stations, associated administration costs and the technical ability to economically recycle these containers once they are collected.
30	If you have any other comments, please write them here.			a) We are interested in how the Ministry propose to test the market to ensure that we can benefit from smart engineering solutions within the practical use of the CRS scheme. For example, whether the vending machine can compact containers so that a higher mass can enter the unit before it reaches capacity. b) We want to ensure that plenty of items can be recycled without the need for frequent emptying (which also comes at its own cost). This will reduce

¹ [Transforming-recycling-consultation-document.pdf \(environment.govt.nz\)](#) page 19

				<p>situations where consumers approach a unit to find they can't place their container because it is 'too full' or 'at capacity'.</p> <p>c) In some locations, an 'in person' teller experience may be more appropriate. This may be something we incorporate at the Council's Tip Shop, if this scheme is implemented.</p> <p>d) There may be existing market solutions that can be adapted to the NZ context.</p> <p>e) Whilst there are a number of countries that NZ can learn from through comparative policy analysis of similar CRS schemes, we are curious if the Ministry has considered a trial/pilot that is based in a NZ context. We believe running a trial could be beneficial to see what difference this makes for families (i.e. the additional effort required to take containers to a CRS unit), how this changes behaviour in reality, what the 'sweet spot' is for the deposit/refund amount and preferred locations for CRS units.</p>
<i>Part 2: Improvements to household kerbside recycling</i>				
31	Do you agree with the proposal that a standard set of materials should be collected for household recycling at the kerbside?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes, a standardised list of materials would provide consistency in national messaging and campaign and reduce instances of 'missed capture' (when people put items in rubbish that could have been recycled).</p> <p>b) WCC already collect the same set of materials across all suburbs and collections.</p>
32	Do you agree that councils collecting different material types (in addition to a standard set) might continue to cause public confusion and contamination of recycling?	Currently, no single material is collected for kerbside recycling by every local council in NZ. The types of materials collected varies considerably. Some councils do not collect glass; a handful do not collect paper; and which plastics are collected varies widely.	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Differing practices between councils could cause confusion for those that move around the country, rather than residents who become accustomed to the practices of their local council.</p> <p>b) Any risk of public confusion could be reduced with clear and concise messaging for the public.</p>

33	Do you think that national consistency can be achieved through voluntary measures, or is regulation required?		[See next column]	<input type="checkbox"/> Yes, it can be achieved through voluntary measures <input checked="" type="checkbox"/> No, regulation is required <i>Additional comments: Our experience has shown that, whilst voluntary measures can produce better results, we would expect regulation to achieve our objectives a lot sooner than voluntary measures alone. Achieving behaviour change primarily through influence can be very challenging.</i>
34	Which items should be included in the standard set of materials that can be recycled in household kerbside collections?	<p>Plastic bottles 1 (PET) and 2 (HDPE): Typically soft drink, water, milk and detergent bottles.</p> <p>Plastic containers and trays 1 (PET) and 2 (HDPE): Typically meat and biscuit trays.</p> <p>Plastic containers 5 (PP): Typically large ice cream containers, margarine, hummus.</p>	[Tick all that apply]	<input checked="" type="checkbox"/> Glass bottles and jars <input checked="" type="checkbox"/> Paper and cardboard <input checked="" type="checkbox"/> Pizza boxes <input checked="" type="checkbox"/> Steel and aluminium tins and cans <input checked="" type="checkbox"/> Plastic bottles 1 (PET) and 2 (HDPE) <input checked="" type="checkbox"/> Plastic containers and trays 1 (PET) and 2 (HDPE) <input checked="" type="checkbox"/> Plastic containers 5 (PP)
35	If you think any of the materials above should be excluded, please explain which ones and why.	Re: question 34.		<p>a) Not applicable. WCC support that all items from the proposed list are included in the standard set of materials for recycling.</p> <p>b) The list is consistent with the materials that WCC already collect for recycling. Note – sometimes pizza boxes cannot be recycled depending on the level of contamination (i.e., food scraps).</p>
37	Do you agree that the standard set of materials should be regularly reviewed?	On review, if certain conditions are met, new materials may be added.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
38	What should be considered when determining whether a class		[Tick all that apply]	<input checked="" type="checkbox"/> Sustainable end markets <input checked="" type="checkbox"/> End markets solutions are circular and minimise <input checked="" type="checkbox"/> Environmental harm <input checked="" type="checkbox"/> Viable processing technologies

	of materials should be accepted at kerbside in the future?			<input checked="" type="checkbox"/> Processing by both automated and manual Material recovery facilities <input checked="" type="checkbox"/> No adverse effects on local authorities, including financial <input checked="" type="checkbox"/> Supply chains contribute appropriately to recovery and end-of-life solutions for their products <input type="checkbox"/> Other
39	Who should decide how new materials are added to the list?		[Tick all that apply]	<input type="checkbox"/> The responsible Minister <input type="checkbox"/> Ministry for the Environment staff in consultation with a reference stakeholder group <input checked="" type="checkbox"/> Existing Waste Advisory Board <input type="checkbox"/> An independent board <input type="checkbox"/> Other <i>Additional comments: We believe the existing Waste Advisory Board makes the most sense, however the Terms of Reference and functions of the board should be reviewed accordingly.</i>
40	Do you agree that, in addition to these kerbside policies, NZ should have a network of convenient and easy places where people can recycle items that cannot easily be recycled kerbside?	In addition to kerbside collections, councils also operate recycling and transfer stations as drop-off locations. In the future, councils, NGOs and communities may want to develop or increase the availability of such resource recovery parks and drop-off schemes.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure <input type="checkbox"/>	a) Yes. WCC strongly believe that, just because an item is not accepted for recycling at kerbside (due to its size or other characteristics), does not mean it cannot be recycled. b) This establishment of a network of convenient places where people can recycle aligns the Wellington Region's objective to establish a comprehensive network of Resource Recovery facilities.
41	Do you agree that food and garden waste should be diverted from landfills?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

42	Do you agree that all councils should offer a weekly kerbside food scraps collection to divert as many food scraps as possible from landfills?		Yes <input type="checkbox"/> No <input type="checkbox"/>	<p>a) We agree that offering a weekly kerbside food scraps collection could have dramatic benefits for the environment through the diversion of food scraps from landfill and reduction in methane emissions.</p> <p>b) It is difficult for WCC to comment on what other councils should offer as local authorities face varying demands. The ability to offer a weekly kerbside food scraps collection depends on the budgets, capacity, and collection and processing facilities of each council.</p> <p>c) This policy decision must be met with appropriate funding from central government. Local authorities are under constant pressure to manage growing demand whilst maintaining rates at levels that are politically acceptable to their communities. The issues of 'unfunded mandates' are identified as key pinch point for councils within the Te Arotake Future for Local Government Interim Report.</p>
43	Do you agree that these collections should be mandatory in urban areas (defined as towns with a population of 1000 plus) and in any smaller settlements where there are existing kerbside collections?		Yes <input type="checkbox"/> No <input type="checkbox"/>	<p>a) As stated above, it is hard for WCC to comment on what other councils should do as local authorities face varying demands. We need to seek some clarification regarding what the mandate is before we can comment further.</p> <p>b) However, in principle, yes, we believe that all councils should be required to facilitate effective food waste diversion, subject to funding and contextual considerations.</p> <p>c) Whilst kerbside collection is an effective method of recycling, there may be some communities that are already well managing food scraps collection (or producing minimal waste in the first place). In such instances, the cost of a new collection service may be a financial burden with minimal impact for the environment.</p> <p>d) In WCC's recent Para Kai Miramar Food Diversion Trial, trial findings concluded that organic kerbside collection is the most effective method for diverting food waste from landfill, although various home composting systems were still popular amongst the majority of participants and also reduced the amount of food waste going to landfill.</p>
44 (a)	Do you think councils should play a role in increasing the diversion of	35	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<p>a) Yes. WCC's Long-term Plan (2021-2031) has set a clear priority for waste diversion initiatives to reduce methane emissions at landfill.</p>

	household garden waste from landfills?			
44 (b)	If yes, what are the most effective ways for councils to divert garden waste?		[See next column]	<input checked="" type="checkbox"/> Offering a subsidised user-pays green-waste bin <input checked="" type="checkbox"/> Making it more affordable for people to drop-off green waste at transfer stations <input type="checkbox"/> Promoting low-waste gardens (eg, promoting evergreen trees over deciduous) <input checked="" type="checkbox"/> Other <i>Other: Promoting/subsidising at-home compost bins.</i>
45	We propose a phased approach to the rollout of kerbside food scraps collections. Do you agree with a phased approach?	<p>The timeframes will depend on whether new processing facilities are needed.</p> <p>For councils with access to existing commercial facilities with the ability and resource consent to take food scraps, this would be 2025. For councils without existing facilities, it would be 2030.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes. We believe a phased approach to 2025 and 2030 is practical and will allow councils and the private sector the time to determine the types of processing infrastructure needed.</p> <p>b) WCC will fall under the 2030 timeframe, as we do not currently have the ability and resource consent to take food scraps.</p> <p>c) We are glad to see that the Ministry are considering the utilisation of additional levy funding to support the implementation of food scraps collection and investment in regional processing facilities. However, we note that this is not yet confirmed, and it will take some time before this funding is available on a scale that will support infrastructure changes for food scrap recycling.</p>
46	Do you agree that councils with access to suitable existing infrastructure should have until 2025 to deliver food scraps collections?		[See next column]	<input checked="" type="checkbox"/> Yes, that's enough time <input type="checkbox"/> No, that's not enough time <input type="checkbox"/> No, it should be sooner
47	Do you agree that councils without existing infrastructure should have until 2030 to deliver		[See next column]	<input checked="" type="checkbox"/> Yes, that's enough time <input type="checkbox"/> No, that's not enough time <input type="checkbox"/> No, it should be sooner <i>Additional comments: WCC is currently without the existing infrastructure to facilitate food scrap collections. Whilst we have selected that 2030 is 'enough</i>

	food scraps collections?			time', we also want to state that it could be done sooner (by 2026) with appropriate funding.
49	Are there any additional materials that should be excluded from kerbside food and garden bins?	<p>The Ministry propose to exclude the following from any kerbside collection bins used to divert food scraps and/or green waste from landfills:</p> <ul style="list-style-type: none"> • kitchen paper towels, hand towels, serviettes_ • newspaper and shredded paper_ • food-soiled cardboard containers (eg, pizza boxes)_ • cardboard and egg cartons_ • compostable plastic products and packaging_ • compostable fibre products and packaging_ • compostable bin liners_ • tea bags. 	[Please explain which ones and why]	<p>a) We are unable to answer this question as it is subject to the technology and processing facilities available. We would want to understand the technology of the processing plant before we come up with a banned list of excluded material from kerbside food and garden bins.</p>
50	For non-food products or packaging to be accepted in a food scraps bin or a food and garden waste bin, what should be taken into consideration?		[Tick all that apply]	<input checked="" type="checkbox"/> Products help divert food waste from landfills. <input checked="" type="checkbox"/> Products meet New Zealand standards for composability. <input checked="" type="checkbox"/> Products are certified in their final form to ensure they do not pose a risk to soil or human health. <input checked="" type="checkbox"/> Products are clearly labelled so that they can be distinguished from non-compostable products. <input checked="" type="checkbox"/> A technology or process is available to easily identify and sort compostable from non-compostable products. <input checked="" type="checkbox"/> Producers and users of the products and packaging contribute to the cost of collecting and processing.
51	If you think any of the materials listed above should be included in kerbside food and garden bins,	See background – question 49.	[Please explain your answer here]	<p>a) We note that 'compostable bin liners' have been excluded from the list of materials allowed in kerbside collections. Feedback from our residents (through trials and council forums) is that they do not want to put food scraps into a bin without a liner as this is hard to clean and can cause odour issues.</p>

	please explain which ones and why.			<p>b) We believe that, to increase uptake of the scheme, we need to allow residents with some ability to line bins, whether this be newspapers or compostable liners.</p> <p>c) The exclusion of items will increase the confusion for recycling and will act as a barrier to compliance. We believe we should utilise good technology to enable us to reduce the list of excluded items as much as possible.</p>
52	Do you agree that it is important to understand how well kerbside collections are working?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) Yes. It is also important to see how week kerbside collections are working in tandem with the implementation of CRS. We note that the impact of a NZ CRS will likely divert a substantial amount of beverage glass from kerbside collections.</p>
53	Do you agree with the proposal that the private sector should also report on their household kerbside collections so that the overall performance of kerbside services in the region can be understood?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	
54	Do you agree that the information should be published online for transparency?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	
55	Apart from diversion and contamination rates, should any		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) It would be useful to see uptake and household participation rates.</p> <p>b) As a council, we would appreciate the ability to have a 'lessons learned' page which allows us to share ideas as a collective (particularly for schemes that have worked well).</p>

	other information be published online?			
57	Should the minimum diversion rate be set at 50 per cent for the diversion of dry recyclables and food scraps?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unsure <input type="checkbox"/>	<p>a) In order to answer, the Council would require more information on the current baseline rates.</p> <p>b) Overseas performance analysis state that a performance standard of 50 per cent diversion is ‘very ambitious’ (Eunomia Report, 2020).</p>
59	In addition to minimum standards, should a high-performance target be set for overall collection performance to encourage territorial authorities to achieve international best practice?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<p>a) We would like to see more emphasis on ‘waste minimisation’ and circular economy principles considered in the creation of these collection targets. The better that people get at minimising household waste the less waste will be available for recycling.</p> <p>b) WCC believe that a better way of managing performance targets would be similar the Wellington Region’s existing Waste Management and Minimisation Plan, which focuses more on reducing the total amount of waste going to landfill per person. Such targets are more holistic and include the ability to minimise waste from the outset.</p> <p>c) As a territorial authority, WCC know that we can optimise our kerbside service, but this requires an uplift in funding levels.</p>
60	Some overseas jurisdictions aim for diversion rates of 70 per cent. Should NZ aspire to achieve a 70 per cent target?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<p>a) Whilst we appreciate the desire to aim high and lead by example, WCC SLR modelling indicates that a 70 per cent target for diversion rates are unrealistic in the Wellington City context. In this instance, preliminary modelling of residential and CBD commercial properties suggests that the kerbside side could be optimised to divert an additional 28 per cent of the kerbside waste stream by 2030. Subject to suitable organic waste processing facilities being available, service modelling suggests that this could result in the diversion of 46 per cent kerbside waste stream by 2030. For this reason, we suggest that a 50 per cent may be a more appropriate target within the New Zealand context. The Council WCC would be happy to share these findings with the Ministry if this helps with future analysis.</p>

62	Should either glass or paper/cardboard be collected separately at kerbside in order to improve the quality of these materials and increase the amount recycled?	<p>When glass breaks, the shards and broken pieces of glass can be difficult to separate from other recyclables. This is particularly a problem for paper and cardboard, as it can be expensive and, in some cases, impossible to remove the shards.</p> <p>New Zealand's pulp mills are not equipped to remove glass fines from paper and cardboard.</p>	[See next column]	<p><input checked="" type="checkbox"/> Glass separate</p> <p><input type="checkbox"/> Paper/cardboard separate</p> <p><input type="checkbox"/> Separated, but councils choose which one to separate</p> <p><input type="checkbox"/> Status quo – they remain comingled for some councils</p> <p>a) WCC strongly value the health and safety benefits for keeping glass separate. Glass separated will assist with cardboard/paper recycling quality and avoid the need for hand sorting from other recycled materials.</p>
63	If glass or paper/cardboard is to be collected separately, should implementation:	Note: this will not apply to WCC, as already collect paper/cardboard separate to glass.	[See next column]	<p><input type="checkbox"/> Begin immediately</p> <p><input checked="" type="checkbox"/> Wait for any CRS scheme design to be finalised</p> <p><input type="checkbox"/> Wait until the impact of a CRS scheme has been observed</p>
64	Should all councils offer household kerbside recycling services?		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>	<p>a) As stated above, it is hard for WCC to comment on what other councils should do as local authorities face varying demands.</p> <p>b) However, in principle, yes, we believe that all councils should be required to facilitate effective recycling services, subject to funding and contextual considerations.</p>
67	What research, technical support or behaviour change initiatives are needed to support the implementation of this programme of work?		[please explain your answer here]	<p>a) Education campaign to promote behaviour change – there is a huge opportunity with standardisation for national campaigns and messaging that councils cannot individually access/afford on that scale. The government could incorporate engaging designs across large scale platforms (billboards, television ads, social media etc) that give people tips on how and what they can recycle.</p> <p>b) Resources for residents – a website directory on what can be recycled, toolkits on processes to make it easier, e.g. how to set up bins in your home to increase streams and source separately.</p> <p>c) Food waste reduction support – e.g., a significant expansion of the Love Food Hate Waste campaign to enable easier transition to separating food scraps and divert food waste.</p>

Part 3: Separation of business food waste

68	Should commercial businesses be expected to divert food waste from landfills as part of reducing their emissions?	The Ministry estimate that businesses produce around 25 per cent of the food waste sent to landfills (approximately 75,000 tonnes, forecast to increase to 100,000 tonnes by 2030).	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	a) Yes. Note - “commercial businesses” requires a strong definition, and we would need further clarity on the scope and scale of what is captured; for example, does the commercial business include industry?
69	Should all commercial businesses be diverting food waste from landfills by 2030?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
70	Should separation be phased in, depending on access to suitable processing facilities (eg, composting or anaerobic digestion)?	<u>Summary of a phase-in process</u> One approach suggested is that businesses in metropolitan areas and within 150 kilometres of suitable processing facilities for food waste have until 2025 to separate their food waste. Businesses further away or outside these areas would have until 2030 as facilities become available.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	a) Yes, it would make sense for this to be phased depending on the accessibility of suitable processing facilities.
73	What support should be provided to help businesses reduce their food waste?		[please explain your answer here]	a) We believe that Councils could play a strong role to assist with behaviour and practical changes/solutions required to implement these decisions. b) This includes utilising council oversight into district plans and spatial solutions in instances where businesses are expected to recycle food waste separately (requiring additional bins and pick up services) within tight and compact geographical areas (e.g. CBD).

FORWARD PROGRAMME

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides the Forward Programme for the Pūroro Waihanga | Infrastructure Committee for the next two meetings.

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

Not applicable.

Financial considerations

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

Risk

- Low Medium High Extreme

Author	Leteicha Lowry, Democracy Advisor
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga

Officers' Recommendations

Officers recommend that Pūroro Waihanga | Infrastructure Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. The Forward Programme sets out the reports planned for Pūroro Waihanga | Infrastructure Committee meetings in the next two meetings that require committee consideration.
3. The Forward Programme is a working document and is subject to change on a regular basis.

Kōrerorero

Discussion

4. Wednesday 22 June 2022
 - Public Places (and Verandahs) Bylaw post consultation (Chief Strategy and Governance Officer)
 - WREMO's role in emergency preparation including sale of water tanks (Chief Infrastructure Officer)
 - Sludge Minimisation Project Business Case (Chief Infrastructure Officer)
 - Mayoral Taskforce Three Waters: Progress Report (Chief Infrastructure Officer)
 - The allocation of landfill surpluses (Chief Financial Officer)
5. Wednesday 24 August 2022
 - Wastewater Treatment Plant Review Update (Chief Infrastructure Officer)
 - Priority Investment Quarterly Report (Chief Infrastructure Officer)

Attachments

Nil

ACTIONS TRACKING

Kōrero taunaki Summary of considerations

Purpose

1. This report provides an update on the past actions agreed by the Pūroro Waihanga | Infrastructure Committee at its previous meetings.

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

- 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

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

Relevant Previous decisions

Not applicable.

Financial considerations

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

Risk

- Low Medium High Extreme

Author	Leteicha Lowry, Democracy Advisor
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Waihanga | Infrastructure 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 (the Review Report) were endorsed and agreed to be implemented.
6. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
7. 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

8. Following feedback, the status system has been changed so that resolutions either show as 'in progress' or 'complete'.
9. Of the 17 resolutions of the Pūroro Waihanga | Infrastructure Committee in March 2022:
 - 9 are complete.
 - 8 are in progress.
10. 16 in progress actions were carried forward from the last action tracking report.
 - 1 is complete.
 - 15 are still in progress.
11. Further detail is provided in Attachment One.

Attachments

Attachment 1. Actions Tracking - April 

#	Date	Meeting	Report	Clause	Status	Comment
65	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.2 Residual Waste Disposal Options	9. Direct officers to progress two parallel work streams (in order to ensure that all reasonably practicable options are available for the Council's consideration of the issue of the disposal of residual waste beyond 2026): a. Continue to investigate and analyse further minimisation and waste disposal options and consultation requirements, reporting to Infrastructure b. Undertake the work to initiate and lodge the necessary resource consent applications to extend the Southern landfill	In progress	One of the landfill (Stage IV) has now been discounted as it was unreasonably practical due to time frame issues. Concentrate on piggy back (smaller) landfill option. a. Completed. b. Progressing -target lodgement by late October 2022
69	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.2 Residual Waste Disposal Options	15. Request that the consultation signals the city's intended journey to minimal waste as outlined in the roadmap. This will be based on future residual waste quantities while noting that investment decisions will need to be made via LTP.	In progress	Noted.
71	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.2 Residual Waste Disposal Options	18. Request officers to update on the timeline of the sludge removal project as a priority.	In progress	Ongoing until project is completed.
73	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.3 Strategic Waste Review Update He Ara, He Para Iti/A Pathway, Minimal Waste	7. Agree to adopt in principle the draft Waste Minimisation Roadmap, and continue to build on the initiatives and how they will be delivered in co-design with the community.	In progress	Work with the Council's Iwi partners, and community stakeholders, to develop the actions to be included in the next WCC WMMP Action Plan is currently underway. A Councillor workshop on the outcome of the co-design propose is proposed for November 2022.
74	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.3 Strategic Waste Review Update He Ara, He Para Iti/A Pathway, Minimal Waste	9. Agree that waste minimisation initiatives will be progressed in parallel with the sludge initiative so they can be quickly implemented and scaled up once the sludge constraint is removed.	In progress	A range of planning related to strategic waste projects, including the development of the new WMMP and business case development to expand Wellington City Resource Recovery network. Related project outputs will be considered by the Council throughout 2022.

#	Date	Meeting	Report	Clause	Status	Comment
75	Thursday, 14 October 2021	Pūroro Waihanga Infrastructure Committee	3.3 Strategic Waste Review Update He Ara, He Para Iti/A Pathway, Minimal Waste	11. Request officers to report back in six months, in order to feed into the Annual Plan, with a roadmap implementation plan for the strategic waste review which will increase the ambition around the name, initiatives, timeline, and reduction goals including ongoing co-design and collaboration with mana whenua, key stakeholders and the community. The implementation plan will include the following: <ul style="list-style-type: none"> • Financial implications of accelerating the strategic waste minimisation roadmap. • A strong narrative about the social, cultural, economic, and environmental benefits of the waste minimisation roadmap. 	In progress	In December 2021, the Infrastructure Committee agreed to a revised schedule for this work – now being due in October 2022.
92	Thursday, 11 November 2021	Pūroro Waihanga Infrastructure Committee	2.1 Wellington Water Limited - Community Infrastructure Resilience	2. Agree that the Council investigate the development of a proactive strategy for sale and delivery of water tanks enabling increased access at places deemed appropriate such as libraries, service centres, and weekend markets.	In progress	Report back from WREMO scheduled for 22 June 2022 meeting of Pūroro Waihanga Infrastructure Committee
93	Thursday, 11 November 2021	Pūroro Waihanga Infrastructure Committee	2.2 Mayoral Taskforce Three Waters: Progress Report	4. Note that officers will provide a further progress report in May 2022.	In progress	Progress report scheduled for June as no meeting in May.
94	Thursday, 11 November 2021	Pūroro Waihanga Infrastructure Committee	2.3 Project Jasmine - Sewage Sludge Minimisation	2. Agree to engage further with the community and in particular with: <ul style="list-style-type: none"> •the residential ratepayer base regarding the indicative change in the proposed levy range compared to what was included in the LTP consultation. •the commercial ratepayer base on the indicative levy 	In progress	Levy engagement underway - closes 19th April
95	Thursday, 11 November 2021	Pūroro Waihanga Infrastructure Committee	2.3 Project Jasmine - Sewage Sludge Minimisation	5. Agree to the procurement approach specified in this report including market sounding for Early Contractor Involvement in November 2021 and release of an RFP in January 2022 (noting that commencing the procurement is not pre determinative of a final decision on the project)	In progress	The information was formally received by the committee. Market sounding has been completed, RFP for ECI was delayed until February due to the need to get other RFPs ahead of the ECI RFP. RFP has been released but deadline has been extended due to resource impact of Covid.

#	Date	Meeting	Report	Clause	Status	Comment
96	Thursday, 11 November 2021	Pūroro Waihanga Infrastructure Committee	2.3 Project Jasmine - Sewage Sludge Minimisation	9. Note that officers will report back in early 2022 with the final business case and results from the community engagement to propose a Committee decision to proceed with the project, and the technical option, and to provide an update on the funding arrangements and on other work streams.	In progress	Business Case completion is progressing well and due for presentation to the Infrastructure Committee in Q4.
126	Thursday, 9 December 2021	Pūroro Waihanga Infrastructure Committee	2.3 Strategic Waste Planning Overview	7. Agree that officers will progress ongoing co-design and collaboration with mana whenua, key stakeholders and the community between February and October 2022, to refine the waste minimisation initiatives contained in the draft roadmap and to develop a new (draft) WMMP Action Plan and investment plan, with a report to Committee on the progress and outcomes in October 2022	In progress	
127	Thursday, 9 December 2021	Pūroro Waihanga Infrastructure Committee	2.3 Strategic Waste Planning Overview	8. Agree that the Council will work regionally to advance the development of the next Regional Waste Management and Minimisation Plan in 2022/2023, with a Regional WMMP currently scheduled for consultation in 2023.	In progress	
128	Thursday, 9 December 2021	Pūroro Waihanga Infrastructure Committee	2.2 Earthquake prone buildings programme update	7. Direct officers to report back to the Committee six monthly with an update on the programme.	In progress	
130	Wednesday, 23 February 2022	Pūroro Waihanga Infrastructure Committee	2.1 Wastewater Service Update	2. Officers will report back to the Pūroro Waihanga Infrastructure Committee in August 2022 and March 2023 on progress and outcomes in respect to the implementation of the review's recommendations.	In progress	
131	Wednesday, 23 February 2022	Pūroro Waihanga Infrastructure Committee	2.1 Wastewater Service Update	3. Request that Wellington City Council is represented on the steering group that will oversee the implementation of the recommendations.	Complete	
135	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.1 Wellington Water Limited Quarterly Report	1. Recieve the information	Complete	
136	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.1 Wellington Water Limited Quarterly Report	2. Agree that the form and substance of the Quarterly Report from WWL will be agreed with WWL for future reporting.	In progress	

#	Date	Meeting	Report	Clause	Status	Comment
137	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.2 Wellington Water Limited presentation on Porirua/ North Wellington wastewater overflow consent	1. Recieve the information	Complete	The information was received by the Committee.
138	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.2 Wellington Water Limited presentation on Porirua/ North Wellington wastewater overflow consent	2. Note officers are working with WWL to develop a consenting approach for the Wellington City catchments.	Complete	The information was noted by the Committee.
139	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.2 Wellington Water Limited presentation on Porirua/ North Wellington wastewater overflow consent	3. Affirm support for Ngāti Toa's position that overflows into Te Awarua-o-Porirua and all waterways are unacceptable. WWL and WCC should do whatever it takes to prevent overflows into this and other Wellington catchments.	In progress	This falls within the remit of Wellington Water Limited
140	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.2 Wellington Water Limited presentation on Porirua/ North Wellington wastewater overflow consent	4. Agree that Ngāti Toa Rangatira will be centrally involved in the development of the resource consent and will be invited to codesign the collaborative committee (if that is deemed the best way forward). This is consistent with the UN Declaration on the rights of indigenous people and Te Tiriti o Waitangi.	In progress	This falls within the remit of Wellington Water Limited
141	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.2 Wellington Water Limited presentation on Porirua/ North Wellington wastewater overflow consent	5. Request consideration of the best means of involving the community in contributing to the development of the resource consent process.	In progress	This falls within the remit of Wellington Water Limited
142	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.3 Verandahs Bylaw and Public Places Bylaw review 2022	1. Recieve the information	Complete	The information was received by the Committee.
143	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.3 Verandahs Bylaw and Public Places Bylaw review 2022	2. Agree to consult with the public and stakeholders on the draft Statement of Proposal for the proposed new Public Places Bylaw (Attachment 1) from 25 March to 29 April 2022.	In progress	Public consultation is in progress.

#	Date	Meeting	Report	Clause	Status	Comment
144	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.3 Verandahs Bylaw and Public Places Bylaw review 2022	3. Delegate to the Chief Executive and the Chair or Deputy Chair of the Pūroro Waihanga Infrastructure Committee the authority to amend the draft Statement of Proposal to include any amendments as agreed by the Pūroro Waihanga Infrastructure Committee at this meeting, as well as any minor consequential edits.	In progress	
145	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.4 Proposed Disposal - part of 39 Chapman Street, Johnsonville	1. Receive the information	Complete	The information was received by the Committee.
146	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.4 Proposed Disposal - part of 39 Chapman Street, Johnsonville	2. Recommend to Council that it: a. Declare that an approximately 307m2 part of the fee simple land at 39 Chapman Street, Johnsonville being part of Lot 114 DP 41189 held on ROT WN15D/1193 (the Land) is not required for a public work and is surplus to Council's operational requirements.	Complete	
147	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.4 Proposed Disposal - part of 39 Chapman Street, Johnsonville	b. Agree to dispose of the Land to the adjoining owner at 15 Chesterton Street, Johnsonville	In progress	
148	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.4 Proposed Disposal - part of 39 Chapman Street, Johnsonville	c. Delegate to the Chief Executive Officer the power to conclude all matters in relation to the disposal of the Land including all legislative matters, negotiating the terms of the sale, imposing any reasonable covenants, and anything else necessary.	Complete	
149	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.5 Actions Tracking	1. Recieve the information	Complete	The information was received by the Committee.
150	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.6 Forward Programme	1. Recieve the information	Complete	The information was received by the Committee.
151	Wednesday, 23 March 2022	Pūroro Waihanga Infrastructure Committee	3.6 Forward Programme	2. Agree to add an update on Three Water Reform to the meeting of Pūroro Waihanga Infrastructure Committee on 27 April 2022.	In progress	Report is scheduled to go to meeting on 27 April 2022.