

WELLINGTON CITY COUNCIL
LONG-TERM COUNCIL COMMUNITY PLAN 2009–19

VOLUME ONE OF TWO



Welcome to Wellington City Council's Long-Term Plan 2009–19.

It explains what the Council plans to do over the next decade, why we plan to do it, how much it will cost, and who will pay. The Council has adopted this plan after considering input from hundreds of Wellingtonians during early 2009.

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■ VOLUME TWO

This is volume one of a two-volume long-term plan. The second volume contains full copies of our:

- Revenue and Financing Policy – which sets out how we fund our services
 - Development Contributions Policy – which sets out the circumstances in which land developers must contribute to the costs of water pipes, roads, parks and other infrastructure
 - Significance Policy – which sets out how we determine which decisions are significant enough to require full-scale public consultation
- and summaries of our:
- Assessment of Water and Sanitary Services – which sets out the state of the city's water and wastewater networks and how they will meet future needs
 - Waste Management Plan.

You can get copies of this volume from www.Wellington.govt.nz, phoning 499 4444, or visiting a service centre or library.

This long-term plan, prepared in accordance with the Local Government Act 2002, covers the 10 years to 30 June 2019. Its legal purposes are to: describe our activities and community outcomes; provide for integrated decision-making and coordinated use of resources; provide a long-term focus for our decisions; and provide a basis for our accountability to the people of Wellington. The first year of this plan constitutes our annual plan for 2009/10.

This plan reflects our intentions at the time of adoption. As with any budget or plan, the actual results may vary from those forecast.



A Message from Mayor Kerry Prendergast

Looking after Wellingtonians' quality of life.

The challenge of a Council, currently, is to provide for the well-being of its communities, both now and into the future.

We do this by providing the essential services on which the city depends – bringing water to Wellington's homes and businesses, collecting and safely disposing of waste, providing roads and footpaths so that people can move around the city, looking after parks and gardens, and overseeing building, land development and public health.

The Council also provides other services, which – in our view, and I am sure in the view of most Wellingtonians – make vital contributions to residents' quality of life and the city's prosperity.

We provide swimming pools, recreation centres, libraries, the City Art Gallery and museums. We also support events such as the IRB Sevens, the World of WearableArts, the NZ International Arts Festival, and provide venues and public spaces that bring people together, and contribute to the city's vibrancy and economic strength.

We fund environmental programmes and grants, preserve heritage and fund artworks such as Sky Blues in Post Office Square which reflect the city's character. We also provide housing for those whose needs are not met by other landlords and support efforts to help people who have no homes.

This long-term plan sets out our programme for the next 10 years. In determining this programme, we've considered the views of hundreds of Wellingtonians who made submissions on our draft plan, and the many more who have provided feedback in other ways such as taking part in community meetings or signing electronic submissions or sending letters to councillors.

Some of you supported an expansion of services, while others preferred the status quo. Very few submitters wanted to see major cuts to the work we currently do.

We have also had to consider the challenging and changeable economic environment, and its impact on household budgets. In the past 10 years we have invested in the city's infrastructure and key services – transport, water, waste – and in parks, events, festivals, venues, and artistic and creative endeavours that make the city such a fantastic place to live and do business.

Our approach to this plan has been to sustain this momentum – to focus on areas that will make a difference, while reducing costs by making modest alterations to some services where these do not unduly impact on the high quality of life that Wellingtonians experience.

The alternative would have been to make deep cuts that might cost jobs in the local economy, remove important services, and make Wellington less vibrant, less competitive, and a less enjoyable place to live.

This plan seeks to balance competing views and interests, to reflect the collective wishes and aspirations of Wellington's people for the years ahead.

And it contains, in my view, a strong programme – one that is affordable, and will position us as a vibrant, internationally competitive city.

A handwritten signature in dark ink that reads "K Prendergast".

KERRY PRENDERGAST
MAYOR



A Message from Chief Executive Garry Poole

Ko te pae tawhiti, whaia kia tata; ko te pae tata, whakamaua kia tina – to seek out distant horizons and cherish those we attain.

This plan is about building on the city's strengths. It has been developed in the context of changing and uncertain economic times. The current global economic conditions affect Wellington but we are well placed to respond.

In the latest survey of New Zealand's largest cities we once again came out on top, with 95 percent of residents rating their quality of life as good or very good. The Council's strategy is to sustain this and Wellington as a vibrant, internationally competitive, and affordable city. This will require us to work in collaboration with others.

The services the Council delivers underpin these results. Many of the services we offer have been developed and invested in, on behalf of the community, over many years. Others are the results of partnerships or the continued support of local communities and users.

Our draft long-term plan provided the community with the chance to state the value they place on these services and to comment on the role the Council should play in either delivering these or encouraging others to. This debate took place in the context of wider challenges such as a growing population, increasing diversity, rising costs, economic uncertainty, public concerns about affordability, and environmental pressures associated with climate change and resource use.

After hearing Wellingtonians' views, the Council has adopted an approach that will maintain most services at the current level, fine tune our own processes to ensure they meet changing customer needs, complete projects that we've started, and focus on areas that underpin our strategic direction.

This plan also sets out our financial forecasts for the next 10 years.

These show:

- operating expenditure to increase from \$342 million in 2009/10 to \$455 million in 2018/19
- capital expenditure ranging from \$114 million to \$200 million each year
- total borrowings (net of our housing surpluses which are ring-fenced) to increase from \$325 million in 2009/10 to \$370 million in 2018/19
- total rates revenue to increase from \$214 million in 2009/10 to \$287 million in 2018/19
- total income (including rates) to increase from \$366 million in 2009/10 to \$530 million in 2018/19.

This equates to an indicative average rates funding increase of less than 3.5 percent per year over the 10 years. This is of course subject to change each year as we refine our budgets. For 2009/10, the average real rates increase will be 3.27 percent, after allowing for growth in the ratepayer base.

As the Mayor has noted, this reflects a Council decision to seek a balanced approach, which retains all that makes Wellington special, while also ensuring that rates remain affordable.

GARRY POOLE
CHIEF EXECUTIVE

Our role and approach

Our Role

Under the Local Government Act, we have two key roles.

- 1. To promote the well-being of Wellington and its people.*
- 2. To facilitate democratic local decision-making.*

The Wellington City Council is made up of 15 elected representatives – the mayor and 14 councillors.

It's their job to make bylaws, set the city's overall strategic direction, and approve budgets, policies and plans aimed at achieving that direction. A key part of their role is to listen and take the pulse of the community before making decisions.

The mayor and councillors are supported in their work by the Tawa and Makara/Ohariu Community Boards.

The elected representatives are supported by the Council's chief executive and 1,450+ staff, who provide advice, implement Council decisions, and look after the city's day-to-day operations.

Strategic framework

We manage the city in line with community aspirations.

After public consultation during 2005 and 2006, we set 13 long-term goals (or "outcomes") for Wellington – that the city will become more liveable, develop a stronger sense of place, and become more compact, eventful, inclusive, actively engaged, sustainable, safer, healthier, better connected, prosperous, competitive, entrepreneurial and innovative.

The projects we fund aim to fulfil these community expectations, and also reflect the feedback we have received from residents and groups during the development of this plan (see page 21 for more on the way we consulted).

Our work is delivered through seven, interconnected strategies.

These strategies cover governance, the environment, economic development, cultural well-being, social and recreation services, urban development, and transport.

They are interconnected; together they contribute to social, environmental, economic and cultural well-being. For example, economic development, social cohesion and cultural well-being are possible only when 'core' Council infrastructure and services deliver a safe and sustainable physical environment.

We get involved if the benefits outweigh the costs.

Supporting community well-being involves balancing competing interests and aspirations. Some residents will want a service to grow; others would prefer a lower rates bill. To achieve the right balance, we aim to deliver services as cost-effectively as possible, and to ensure that the benefits of Council involvement clearly outweigh the costs.

For example, we don't provide services if other organisations will provide them, and we seek to work in partnership with others to maximise benefits while minimising costs.

Our approach is influenced by the changing environment.

This long-term plan has been prepared in an environment of economic uncertainty, pressure on household budgets, growing concern about climate change, competition from other cities, changing technology, and demand for services from a population that is growing, ageing, becoming more diverse, and expecting more from Council services.

In light of these developments, we have sought to develop a programme that is affordable, leaves us 'agile' or able to respond to a changing environment, focuses resources on areas that enhance Wellington's competitive advantages, and seeks to manage demand for services in preference to building new assets to meet ever-increasing demand.

For more, see the section on *Setting Our Direction*.

Our vision is for Wellington to be a vibrant, internationally competitive, and affordable city.

This vision builds on Wellington's strengths – as a genuinely world class small city, a great place to live, work and play – while also recognising the need to focus effort and resources in areas where the city has a genuine 'edge': things like its cultural capital status, compact nature, natural environment and creative industries.

Accountability

This plan is part of an ongoing planning process.

The Local Government Act requires us to plan in three-year cycles. Every three years, we publish a long-term plan setting out our intentions for the decade ahead – what we'll do, how we'll do it, how much we'll spend, who will pay, the levels of service we'll provide, and how we'll measure the quality and effectiveness of our work. Our last long-term plan was adopted in June 2006.

In-between these long-term plans, we take a fresh look each year at our work programme, consider whether any changes are needed, and publish an annual plan setting out changes to the long-term plan.

We make ourselves accountable by reporting on how we do for the year.

Every September, we publish an annual report. This sets out how we performed against the long-term plan or annual plan for the year. Did we do all we said we'd do? Did we meet our budgets? Did we perform as expected? Did we contribute to improvements in the overall well-being of Wellington and its residents?

The report is made available on our website and through libraries and service centres, and a summary is sent to all Wellington households.

Our vision is for Wellington to be a vibrant, internationally competitive, and affordable city.

Our work at a glance

We group our work into seven strategic areas. These strategies provide coherence in our work and ensure we retain a clear sense of what we want to achieve.

Governance

Our governance work includes running local elections, holding meetings of the Council and its committees, producing policies and strategies to guide our work, seeking feedback on our proposals from members of the public, producing annual plans and annual reports to make ourselves accountable to residents, engaging with Maori and stakeholder groups, and providing information about our services and activities.

Challenges

The key challenges we face are to increase participation levels and build trust and confidence in civic decision-making.

10-year approach

- Build public trust and confidence in the decisions we make and the services we offer.
- Raise awareness of the reasons for our decisions and in particular our need to balance limited resources across all services.
- Develop new ways to engage – ones that better meet residents' needs.

Three-year priorities

- Enhance our partnerships with mana whenua.

- Use online tools to make it more convenient for people to comment on Council proposals.
- Strengthen our partnerships with the government sector and the wider region so we can influence decisions that affect Wellington residents.

Environment

We look after the city's 34+ square kilometres of reserve land, as well as beaches, coastline, and botanical gardens. We fund the Zoo and the Karori Sanctuary.

We also: provide water supply, stormwater and sewage disposal; provide recycling and waste disposal services; offer grants for environmental initiatives; run the Kiwi Point Quarry; and promote energy efficiency and sustainability. The environment is by far our biggest area of spending.

Challenges

Though Wellington enjoys a stunning natural environment, we also face some significant challenges. Like other cities, we need to find ways of becoming more sustainable – to address broad issues such as climate change – by producing fewer greenhouse gas emissions, dumping less waste, using resources such as water and energy more efficiently, and protecting biodiversity and ecosystems.

10-year approach

- Protect sensitive natural areas and resources.
- Reduce the city's greenhouse gas emissions, reduce resource use, and convert to renewable energy.
- Minimise the impact of resource use, including development, on landscapes and ecosystems.
- Dispose of waste in ways that protect the environment, and encourage recycling.
- Provide high-quality, accessible green spaces for people to enjoy.

Three-year priorities

- Manage demand for potable water and develop a region-wide water management plan.
- Take steps to reduce the Council's – and the city's – greenhouse gas emissions.
- Encourage people and businesses to reduce the amount of waste they produce.
- Develop a strategic framework for managing the city's parks and reserves.

We will support the Karori Sanctuary's development of Zealandia – the Sanctuary's interactive visitor centre, and work with the Marine Education Trust on a feasibility study for the Marine Education centre proposed to be built near Lyall Bay.



Economic development

We work to attract major events such as the World of WearableArt Awards and the International Sevens. We also fund tourism promotions, and support attractions such as Te Papa and conference venues such as the Wellington Convention Centre.

To support businesses, we advocate for the city's interests to central and regional government. We maintain links with other markets through sister city relations. Our initiatives complement the regional economic development programme provided by the regional development agency Grow Wellington.

Challenges

Key economic development challenges are to respond to the global economic slowdown while continuing to make the city more internationally competitive, foster innovation and entrepreneurship, and lift Wellington's productivity and contribution to the economy.

10-year approach

- Support high-quality events that promote tourism and a vibrant retail sector.
- Celebrate creativity and innovation in the business sector.
- Improve the city's connections to the rest of the world.
- Support downtown Wellington as the centre of the region's retail and service economy.

Three-year priorities

- Improve Wellington's connection to the world by promoting the development of the city's broadband services and by attracting long-haul airline services from Asia.
- Enhance Wellington's place as a vibrant, eventful city by offering a wide range of high quality events, and focusing on events that enhance economic prosperity and our status as New Zealand's arts and culture capital.

- Maintain the inner city as a great place to stage events. Leverage tourism and marketing opportunities from hosting pool games and quarterfinals at the 2011 Rugby World Cup.

We're funding the redevelopment of the Carter Observatory into a visitor attraction, increasing our annual funding for Te Papa, in recognition of its significance as a visitor attraction and contribution to Wellington's economy and cultural life.

Cultural well-being

We fund the city's popular art galleries and museums, operate Toi Poneke – the Wellington Arts Centre, and support the NZ International Arts Festival, and other institutions. We also provide cultural grants, support community events and festivals, and run the City Archives.

Challenges

Wellington's arts and culture scene is thriving. Our key goals are: to maintain this strength, in particular by ensuring the city provides a supportive environment for arts and entertainment; and to ensure that all Wellingtonians can participate in the city's cultural life.

10-year approach

- Provide a supportive environment in which arts and cultural activities can flourish.
- Build the city's status as New Zealand's arts and cultural capital and 'events capital'.
- Provide a welcoming environment for the city's diverse population.
- Foster and celebrate Wellington's 'sense of place' – the combination of landscape, buildings, public art, capital city status and other features that give the city a unique look and feel.

Three-year priorities

- Provide a wide range of culture-based events that celebrate Wellington's diverse communities, entertain, and bring people together.

- Complete our extension of the City Gallery.
- Recognise the special place of mana whenua in the city's culture and arts, for example through Te Matau a Maui – the Hook of Maui and Receding Waters, a dramatic new sculpture at the entrance to the central city, and through construction of a wharewaka on the waterfront.
- Provide an arts resources 'hub' at Toi Poneke – the Wellington Arts Centre to allow artists and entertainers to share resources.

We will also provide additional funding support to the Wellington Museum's Trust and the NZ International Festival of the Arts so they retain their high quality programmes and exhibitions in this economic climate where external sponsorship is more difficult to obtain.

We are supporting the Creative Capital Trust with additional funding to deliver the Fringe Festival and the Cuba Street Carnival.

We're providing additional funding to Te Papa in recognition of its significance as a visitor attraction, and the contribution it makes to Wellington's economy and cultural life. We're also providing additional funding to the Carter Observatory to redevelop it into a visitor attraction.



Social and recreation

We provide homes for people whose needs are not met by state housing or the private housing market, fund projects to help homeless people, support community organisations, and provide community centres and halls.

We also work to protect public health and safety through projects such as monitoring the city centre, banning liquor consumption in public in parts of the city, licensing food and liquor outlets, animal control, regulating other public health risks, providing toilets and cemeteries, and preparing the city to deal with emergencies such as earthquakes.

Our recreation work includes: providing libraries, playgrounds, swimming pools, recreation centres, sports fields and marinas; running recreation programmes; and reducing the costs of using sport and recreation facilities for people eligible for our Leisure Card subsidy scheme.

Challenges

Key challenges include:

- providing for a population that is growing, ageing, becoming more diverse, and expecting more of Council services
- maintaining existing strengths such as safety, strong communities, open and tolerant attitudes, and high quality of life.

10-year approach

- Promote strong, safe, healthy communities by ensuring that infrastructure is in place to meet residents' and community needs.
- Play a facilitation role to support other organisations that can meet community needs, and provide services only when those needs remain unmet.

Three-year priorities

- Promote participation in recreation activities to ensure that facilities are used by the whole community.
- Facilitate tolerance and inclusiveness.
- Encourage community groups to share responsibility for delivering programmes and services.
- Increase our role as advocates for resident and community needs.

Actions towards these include making progress on an upgrade of our social housing stock in line with our \$220 million partnership with the government, and improve community access to sports in all weather through the introduction of synthetic sports field, construction of an Indoor Community Sports Centre at Cobham Drive, look to establish a wet hostel in Wellington, and improve outdoor community facilities in Churton Park. We will also review the appropriate mix of library and other community services across the city, and we will review our swimming pools network.

For more information on our work in these areas, see the 'our work in detail' chapter.

It outlines the work we do, key projects and programmes that will be delivered over the next three years, why the work is important, how the work contributes towards the community outcomes, and how we will measure our performance. It also includes information on how we manage our assets – such as libraries and swimming pools – and how services are paid for (through rates, a targeted rate or through fees), and also what it costs to deliver these services.



Urban development

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

Challenges

The significant growth expected in Wellington over the next 20 years creates some challenges. We're aiming to respond to those challenges in ways that are sustainable and preserve the city's special character. A key priority is to improve land use and transport by focusing development in key centres or 'hubs'.

10-year goals

- Maintain the city's 'compactness'.
- Focus development along a 'growth spine' running from Johnsonville through the city centre to Newtown and Kilbirnie, to ensure that growth occurs where the benefits are greatest and the harm least.
- Allow intensive development of some areas while protecting others from development.
- Better integrate land use and transport.
- Improve the quality of urban design.
- Foster and celebrate Wellington's 'sense of place' – the combination of landscape, buildings, public art, capital city status and other features that give the city a unique look and feel.

Three-year priorities

- Advance planning for development along the 'growth spine', focusing on the Adelaide Road precinct and Kilbirnie.
- Add a processional route – a tree-lined street – along Taranaki Street to the new Memorial Park around the Cenotaph.
- Ensure our planning processes conform with any amendments to the Resource Management Act.

In addition, we'll part-fund the construction of Memorial Park at the cenotaph in Mt Cook, upgrade Midland Park, and prepare plans for a new inner city park.

Transport

We look after 670km of streets and roads, as well as footpaths, cycle lanes, traffic signals, car parks and so on.

We also: support public transport through bus priority measures such as bus lanes, letting buses go first at traffic lights, and providing bus shelters; work suburb by suburb to improve traffic safety; and plan to ensure the city's transport network meets future needs.

Challenges

Our transport system is generally performing well – Wellington's streets are safe by national standards, we're relatively high users of public transport, and most residents believe the city is easy to get around. However, we do face challenges such as ensuring the transport network can keep up with growing demand, and reducing harmful environmental effects such as noise, water and air pollution.

10-year goals

- Provide a safe, efficient transport network.
- Encourage a transition towards public transport and other alternatives to private cars by providing infrastructure that supports buses, cycling, walking and other forms of transport.

Three-year priorities

- Continue to implement bus priority measures.
- Encourage alternatives to private cars, such as walking and cycling.
- Improve public transport connections, including a proposal to restore the Golden Mile through Manners Mall and extending the lower section of Cuba Street into a pedestrian zone. This work will involve further public consultation.

In the next three years, we'll also work with other agencies to implement planned changes to the Ngauranga-to-Airport transport corridor.



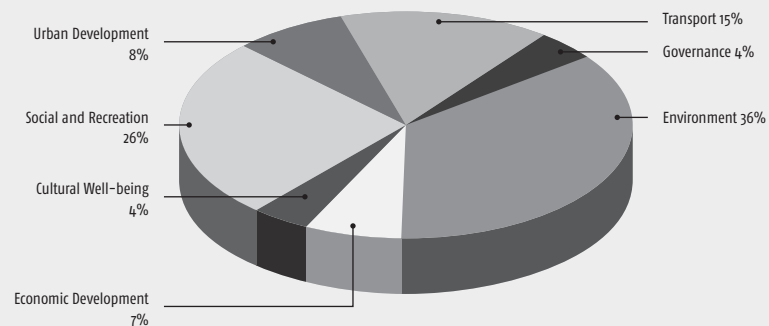
Financial overview

Operational expenditure

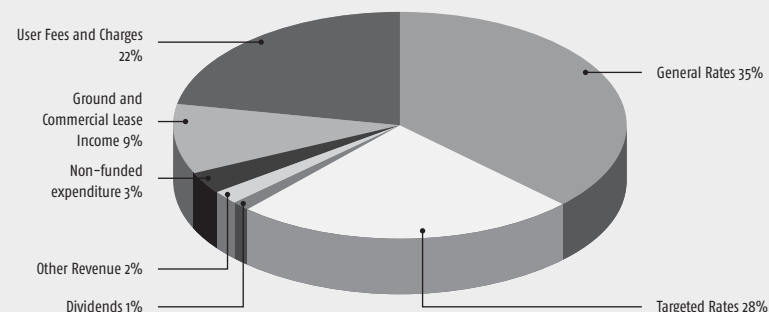
Operational expenditure pays for the Council's day-to-day operations and services, from collecting rubbish and maintaining our roads to issuing building consents, running our recreational facilities and maintaining our parks and gardens.

The Council plans to spend \$342 million on operational expenditure across our seven strategy areas in 2009/10, and a total of \$4.0 billion during the next 10 years. The Council funds operational expenditure from a combination of general rates (paid on all properties), targeted rates, user charges, ground and commercial lease income, dividends and other revenue (such as grants/subsidies).

Operational Expenditure over 10 years (\$4.0 billion) by Strategy



Operational Expenditure over 10 years (\$4.0 billion) by Funding Source (including non-funded expenditure)



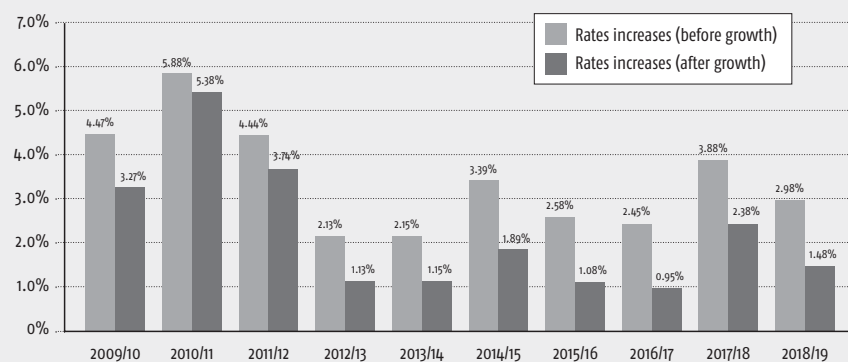
Rates

Our rates revenue is split between targeted rates and general rates. Detailed information on rating mechanisms is included on page 200.

In accordance with the Council's Revenue and Financing Policy, targeted rates are used to fund activities where the Council is able to clearly identify a specific group of ratepayers who receive the benefit of the activity, and where it is appropriate that this group be targeted to pay. Targeted rates include base sector targeted rates, commercial sector targeted rates, water rates, sewerage rates, stormwater rates, and the Marsden Village, downtown and Tawa driveways rates.

There are two categories of general rates: the base general rate, and the commercial sector general rate. General rates are charged at different levels depending on the type of property. In 2008/09, the commercial sector general rate per dollar of capital value was 3.8 times higher than the base rate for a residential property of the same value. We have reduced the differential between our commercial and residential sectors to 3.45 in 2009/10 and, propose to reduce it to 2.8 by 2011/12.

2009–19 LTCCP Rates Increase



Our total rates are forecast to increase by 4.47 percent in 2009/10 before allowing for growth in our ratepayer base. After allowing for growth, our total rates are forecast to increase by 3.27 percent in 2009/10. Further increases in the total rates before allowing for growth are forecast for 2010/11 (5.88 percent including inflation and before growth) and 2011/12 (4.44 percent including inflation and before growth).

The graph on this page shows the projected rates increases before growth across the 10 year LTCCP. The actual impact on each ratepayer will vary depending on the change in their property value compared to the change in the total city valuation base and the impact of the changing differential.

Property valuations and rates distribution

The Council sets the total amount of rates required to fund its expenditure based on the budgeted costs included in this 10 year plan. For the majority of its rates the Council then uses property valuations as the basis to distribute the total rates requirement proportionally across all properties in Wellington.

In 2008 the Council changed its revaluation cycle from an annual cycle to a three-yearly cycle to be more in line with other cities in New Zealand. As a result, there is no revaluation of properties effective for the 2009/10 year and the proportional distribution of the total rates requirement to each property has remained relatively unchanged from 2008/09 – except for any growth in the ratepayer base arising from development.

From 1 July 2009 the Council will introduce a new remission on the Downtown Levy for property deemed to be not fit for purpose due to the property undergoing development. For further detail refer to the Council's Rates Remission Policy contained in volume 2 of the 2009–2019 LTCCP.

It is also important to note that the average rates bill does not automatically reduce as property values fall. The Council calculates the total rates requirement for the year and then uses property values as the basis to distribute this total. Therefore, a change in your property's value will only impact on your rates bill to the extent that the change is higher or lower than the average change in value.

After allowing for the change in the differential, rates on the average residential property (valued at \$532,000) are proposed to increase by 4.7% to \$1,923. An average rates increase of around 1% is proposed for commercial properties, including the impact of increases in metered water charges.

User charges

For 2009/10, we are increasing user charges in a number of areas. The majority of these increases are minor and reflect cost pressures on the underlying service provided by the Council. Increasing fees by a little each year ensures that ratepayers are not over-subsidising services the Council provides and helps to avoid larger catch up increases in future. Our fees are set in accordance with our Revenue and Financing Policy which is outlined in Volume 2 of this document. Areas where we have increased fees include:

- Development control and facilitation
- Swimming Pools
- Recreation Centres
- Libraries
- Burials and Cremations
- Sportsfields
- Marinas
- Waste Minimisation and Disposal
- Sewerage Treatment and Disposal
- Road Encroachments

The level and extent of fee increases vary and are outlined in greater detail in the appendices of this plan.

Funding our activities

When we're deciding how to fund an activity, we consider a wide range of factors including:

- who benefits (individuals, an identifiable part of the community)
- can the beneficiary be easily identified
- can the beneficiary be easily excluded from using the service for non-payment
- intergenerational equity (i.e. do the benefits accrue to future generations as well as present ones)
- the 'polluter pays' principle (i.e. people should pay for negative effects they cause)
- fairness/equity of excluding people who cannot afford to pay
- transparency/accountability of a particular funding method
- overall impact on social, economic, cultural and environmental wellbeing.

Our Revenue and Financing Policy outlines how we are funding our activities and is detailed in full in Volume 2 of this document. For 2009/10 we have made the following changes to our Revenue and Financing Policy:

| ACTIVITY | CHANGE COMPARED TO 2008 |
|---|---|
| 2.4.2 & 2.4.3 Sewage collection, treatment and disposal | Increase user charge funding from 0% to 5% to reflect trade waste charges introduced in 2009/10 |
| 4.3.1 Arts and cultural festivals | Decrease from 25% to 20% non-rates income as proposed in 2008/09 |
| 4.4.2 Arts Partnerships | Decrease from 30% to 25% user charges |
| 5.3.3 Synthetic turf sportsfields | New activity with a user charge target 40% |
| 5.2.3 Recreation programmes | Decrease from 25% non-rates income to 5% to reflect loss of SPARC Push Play programme funding |
| 5.4.3 Public health | Increase from 45% to 50% user charges |
| 6.2.1. Building control and facilitation | Increase from 60% to 65% use charges as proposed in 2008/09 |
| 6.3.1 Development control and facilitation | Increase from 45% to 50% user charges |
| 7.2.3 Passenger transport network | Decrease from 100% to 70% non-rates funding, reflecting forecast lower bus shelter advertising income |

Understanding the Council's budgeted surplus

The Council is forecasting a net operating surplus in each of the ten years of this LTCCP (\$24.1 million in 2009/10).

The majority of the Council's budgeted net surplus arises from cash funding received for capital purposes (Housing New Zealand grants, development contributions, NZTA subsidies and bequests).

This income flows through to the net operating surplus to be available to fund capital expenditure. Offsetting this are some depreciation costs on assets which we have resolved not to fund.

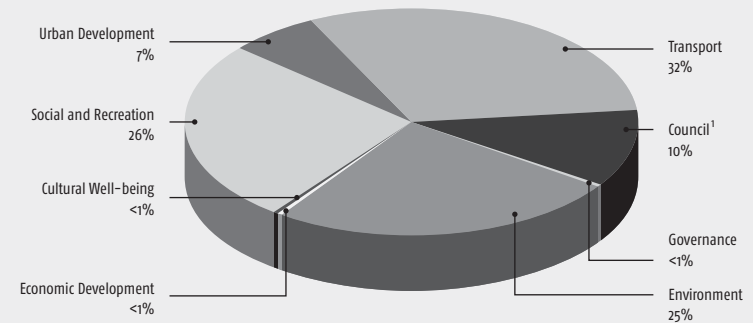
Capital expenditure

We're continuing to invest in our city's infrastructure.

Capital expenditure pays for purchasing, building or developing the Council's assets (e.g. bridges, pipes, libraries, swimming pools). Our capital expenditure (excluding carry forwards and loans to other organisations) is forecast to be \$114 million in 2009/10 and \$1.5 billion (including inflation) over the next 10 years.

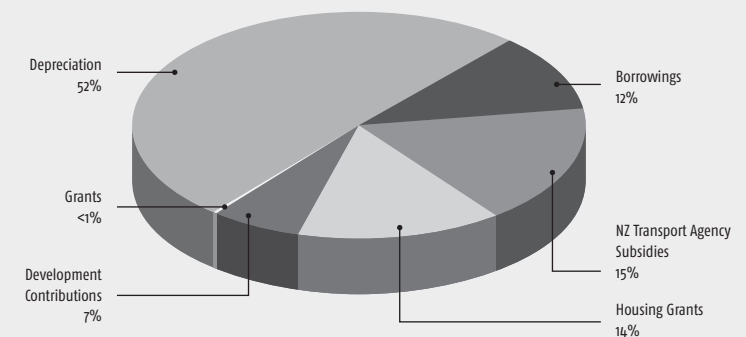
We fund capital expenditure from depreciation, borrowings, NZ Transport Agency subsidies, grants and development contributions. For asset renewals, the main funding source is depreciation. For new assets and upgrades, the main funding sources are borrowings, subsidies and grants.

Capital Expenditure over 10 years (\$1.4 billion) by Strategy (%)



¹ Council Projects predominately relate to capital expenditure on our technology infrastructure, replacement of vehicles and equipment and meeting health and safety requirements.

Capital Expenditure over 10 years (\$1.4 billion) by funding source (%)



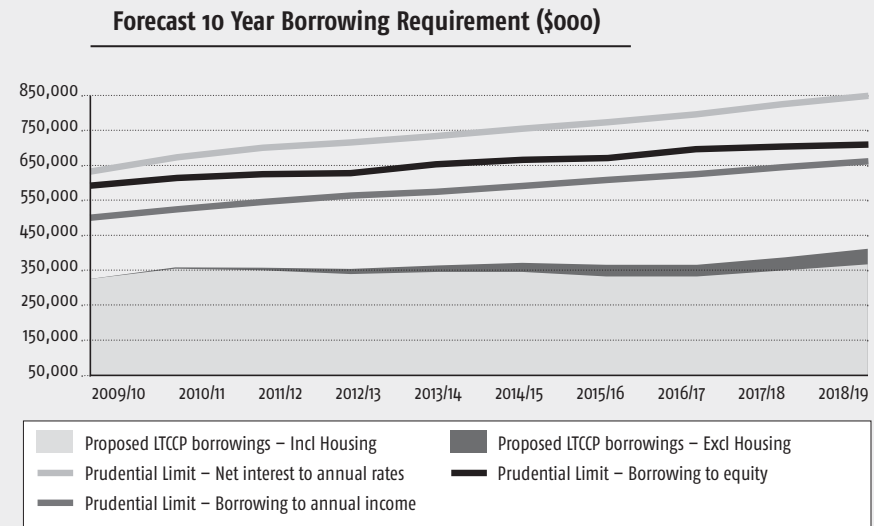
Borrowings (10-year forecast)

Total borrowings are forecast to be \$324.9 million at the end of 2009/10 increasing to \$369.6 million by 2018/19. Over the same period our forecast asset base totals \$6.3 billion in 2009/10, and increases to \$7.6 billion by 2018/19.

| WE MANAGE OUR BORROWINGS WITHIN THE FOLLOWING PRUDENTIAL BORROWING LIMITS: | |
|--|-------|
| Net borrowing as a percentage of equity | <10% |
| Net borrowing as a percentage of income | <150% |
| Net Interest as a percentage of income | <15% |
| Net Interest as a percentage of annual rates income | <20% |
| Liquidity (term borrowing + committed loan facilities to 12 month peak net borrowing forecast) | >110% |

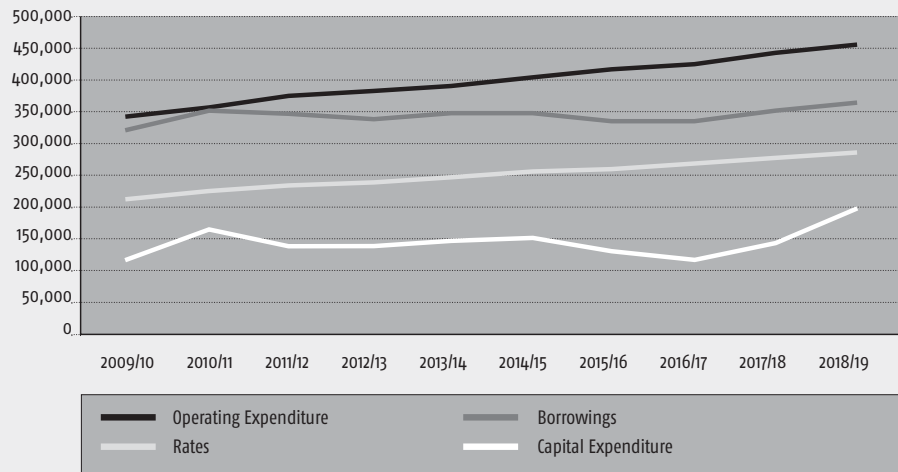
The following graph shows our forecast borrowings over the next 10 years against these prudential borrowing limits. We remain compliant with all our prudential limits across the life of the plan.

The graph also reflects the impact on our borrowings of our “ring-fenced” housing activity which accumulates cash surpluses over the ten years for re-investment in our housing stock upgrade programme.



Our Housing activity generates a cash surplus which offsets our borrowings. The above graph shows how our borrowings would increase if this cash surplus was excluded.

2009–19 Key Financial Indicators (\$'000)



Financial indicators at a glance

Over the 10 year plan our forecasts show:

- operating expenditure will increase from \$342 million in 2009/10 to \$455 million in 2018/19
- capital expenditure will range from \$114 million to \$200 million each year
- total borrowings (net of ring-fenced housing surpluses) will increase from \$325 million in 2009/10 to \$370 million in 2018/19
- total rates revenue will increase from \$214 million in 2009/10 to \$287 million in 2018/19.

The key reasons for the increasing trends across our ten year plan are as follows:

- Operational expenditure and rates are impacted by inflationary assumptions around our underlying costs, and the operational impact of our capital expenditure programme
- Borrowings are influenced by the timing and extent of our capital expenditure programme.

Results of Consultation

We've heard your views.

This long-term plan was adopted in June 2009 following extensive community consultation extending back over many months.

Early engagement

During late 2008 and early 2009 we held roadshows, created a Facebook page, ran a phone 'hotline' and ward clinics so residents could talk directly with the mayor and councillors, established a website including discussion boards and a budget simulator, conducted a survey, published booklets highlighting our overall approach, and held meetings and hui.

We also established a residents' panel – a forum of 40+ residents to discuss the key issues facing the city. The members were selected with a view to composing a diverse panel that reflected broadly the demographic characteristics of the Wellington community. They were selected in three ways: (i) from Council stakeholder groups; (ii) self nominated; and (iii) drawn from the community by a research company.

Consultation on the long-term plan

After considering the results of this early engagement, in May 2009 we published a draft long-term plan. This set out the direction we're taking the city in, our budgets and services for the coming decade, and how we intend to fund those services.

The draft plan and summaries were sent to community organisations and made available in libraries, community centres and on our website. Information about the plan was published in Council publications including the Our Wellington page in the Dominion Post, and the Absolutely Positively Wellington newspaper.

We also held community meetings to inform residents and take questions about the plan.

We received 503 written submissions on the draft plan, and councillors heard oral submissions from 138 people and organisations.

Submitters expressed a wide range of views.

We had proposed to make modest savings on some Council services, for example parks and swimming pools. In general, submitters opposed these proposals – highlighting the challenge of balancing the demands of some residents for increased services against the need to keep overall rates bills affordable. The Council after considering all the information has opted to go ahead with the proposed savings.

The feedback we received during consultation influenced Councillors' decisions.

The programme outlined in the final plan is not the same as the one outlined in the draft. Key changes include:

- We're increasing our funding to progress strategic cycle and walking networks in the city. We've budgeted \$250,000 in 2009/10 and \$500,000 from 2011 onwards.
- We've committed an additional \$200,000 per year (for three years only) to the NZ Festival of the Arts to retain their schedule of programmes and exhibitions.
- We've provided \$75,000 in 2009/10 for the Creative Capital Trust to be established who will manage the Cuba Street Carnival and the Fringe Festival.
- We've provided additional funding support of \$50,000 per year to deliver more Maori cultural festivals.
- We're supporting the Marine Education Trust with up to \$450,000 in 2009/2010 to conduct a feasibility study for establishing a Marine Education Centre in Lyall Bay.
- In partnership with government agencies we're supporting the development of a wet hostel in Wellington. We have budgeted \$250,000 in 2009/10 for this work to be progressed.

- We've provided additional funding support to Zeal to help fit out of their new accommodation in Ghuznee Street. We have budgeted \$50,000 for this in 2009/10.
- We're providing additional funding to Positively Wellington Tourism to allow them to grow the Australian tourism market. We have budgeted \$2,576,000 for this over the next three years.
- We're working with the Ministry of Education and the community to allow for a playground and outdoor recreation space at the new Churton Park school to be made available to the wider community when not in use by the school. We're providing funding of \$812,500 in 2010/11.
- We've provided additional funding to make improvements to the Adelaide Road precinct to accommodate bus lanes, improve transport linkages, and prepare the precinct for urban intensification. Funding of \$12.568 million has been allocated over the next ten years.

During the consultation period, the Council extended funding for: the Karori Wildlife Sanctuary, for upgrading the Carter Observatory as a visitor attraction, and to restore the Golden Mile and a proposal to reopen Manners Mall to buses.

We have developed this plan within tight budgetary parameters. Any accommodation of further funding requests would have increased the rates rise.



PART TWO: SETTING OUR DIRECTION

- Community outcomes
- Our strategic approach



INTRODUCTION

How do we decide what to do?

It's a simple question with a complex answer. To develop the programme set out in this long-term plan, we've taken into account a huge range of factors. We've sought to enhance the well-being of Wellington and its people, fulfil community aspirations for the city, meet all of our legal obligations, and ensure prudent management of the city's finances and assets. We've also had to be mindful of the links between different parts of our programme – for example, the relationship between transport and urban planning, or the environmental impact of urban development.

Over the next few pages, we explain the key elements of our strategic direction.

Community Outcomes

What are they?

'Community outcomes' are the community's overall aspirations for Wellington's future. They relate to all aspects of the city – its environment, economy, transport system, and social, recreational and cultural wellbeing. While many of these community outcomes relate directly to Council activities, some can only be achieved with help from other organisations such as business, government, the police and many others. Some relate to areas we have very limited ability to influence, such as the affordability of public health services and the diversity of the media.

How were they developed?

Wellington's community outcomes were developed in 2005 and 2006. We facilitated the process (as we are required to do by law), with the aim of ensuring the outcomes reflected the widest possible cross-section of Wellington residents, groups and businesses, with no single group or viewpoint dominating. The steps we followed were:

1. In April 2005, we asked 190 groups and stakeholders about the process we should follow to develop the outcomes. We received feedback from 36.
2. During May, we identified key themes and issues facing the city. This was done by: meeting with more than 20 agencies (such as community boards, government agencies, and Maori groups); contracting research company AC Nielsen to conduct six focus groups with Wellington residents; and compiling results from previous consultation exercises; and compiling information about the Council's strategic position (vision, outcomes, goals and policies) at the time.
3. In July, a Public Review Panel met to draft the community outcomes. The review panel comprised 10 randomly-selected residents (representing a cross-section of the city's population) and 10 representatives from community groups. The groups were selected to represent social, economic, cultural and environmental interests.
4. During July and August, we asked for public feedback on the draft community outcomes.

We printed and distributed a consultation brochure to stakeholders and agencies, and we publicised the consultation through advertising/advertorial, media releases, radio interviews, website links,





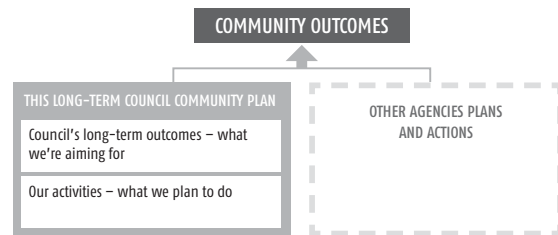
meetings with community boards and Council advisory groups, and an article in our Absolutely Positively Wellington newspaper. Submissions could be made online or in writing. People could either rate each outcome on a five-point scale, provide feedback for each of the eight outcome statements, or send a stand-alone submission. A total of 122 submissions were received, 105 from individuals and 17 from organisations/groups.

Detailed results were given to the Public Review Panel.

5. On September 3 and 6, the Public Review Panel met to consider the submissions. An independent facilitator was used. The panel endorsed the community outcomes on September 6.
6. The community outcomes and our actions towards them were then outlined as part of the consultation on the 2006 draft long-term plan. A total of 1,368 submissions were received on the plan. It was adopted on 28 June 2006.

How do the community outcomes influence our work?

Identifying Wellington's community outcomes are an important part of setting our strategic direction. They guided the development of our own 'Council outcomes' (outlined below), which in turn guide our decisions about which services to provide and activities to support. In *Part 3: Our Activities in Detail*, you'll find explanations of how each activity supports community outcomes.



How do we work with other organisations to further community outcomes?

We work with government agencies and a wide range of other organisations and groups to further community outcomes. The exact nature of this work varies from activity to activity. Depending on the circumstances, we work in partnership with other organisations, or we provide funding, or we provide services, or we play a facilitating role. One example is the Police, who we work with on city safety initiatives – our Walkwise staff monitor city streets which aids police crime prevention and detection work. We also work with police on policy initiatives designed to enhance safety. Another example is social housing where our partnership with the government will see our social housing complexes upgraded over the next decade.

Part 3: Our Activities in Detail explains which key organisations we work with in relation to each activity.

We have appointed relationship managers to strengthen our relationships with other agencies whose work affects the city, ensuring their work contributes to community outcomes.

How do we know if the community outcomes are being achieved?

Our outcome reporting provides a high level outline of how the city is progressing. We will maintain a State of the City report – a summary of results assessing progress towards our community outcomes. This will be available on our website and updated from time-to-time as new results become available. We also report progress against Council outcomes each year in our Annual Report. The results for both community and Council outcome indicators are drawn from a variety of sources, including surveys of city residents, Statistics NZ, Greater Wellington Regional Council and others.

We continually look to refine our outcome monitoring. In addition, to the outcome indicators we'll also assess progress through:

- the Wellington Regional Strategy's proposed Genuine Progress Indicator
- indicators used for the three-yearly Quality of Life project
- additional measures that are considered appropriate by agencies that can influence the community outcomes.

We plan to review the community outcomes and facilitate a new process by 2011.





COMMUNITY OUTCOMES

The current set of community outcomes are as follows:

Wellington will promote the sustainable management of the environment, and support increased opportunities for the exercise of kaitiakitanga or environmental guardianship.

Wellington will protect and showcase its natural landforms and indigenous ecosystems.

Pest animals and plants will be eliminated as methods become available, and no new pests will become established.

Wellington's long-term environmental health will be protected by well-planned and well-maintained infrastructure.

Wellingtonians will be well-prepared and co-ordinated to deal with any civil emergency and its aftermath.

Wellingtonians' use of non-renewable energy resources will decrease.

Wellington will move towards a zero waste policy.

Wellington, as New Zealand's capital city, will house and engage effectively with central government, embassies and corporates.

Wellington will have an increasing diversity of vibrant, internationally competitive businesses and industries of all sizes, and sustainable employment opportunities.

Wellington will become a centre of excellence for education and training, and the promotion of entrepreneurship.

Wellington will be a prime tourist and conference destination, with diverse and changing attractions that fit and highlight Wellington's best features.

Wellington's thriving suburban centres and rural areas will offer enhanced services and lifestyle choices.

A wide range of educational opportunities will be available for Wellingtonians of all ages.

Wellingtonians will be healthy and experience a high quality of life.

Wellington will be a dynamic and multicultural city that respects and celebrates cultural diversity.

Wellingtonians will feel safe in all parts of the city.

Social services, especially public health and housing, will be affordable, available and accessible to all Wellingtonians.

Wellington city and its amenities will be accessible to all Wellingtonians.

Wellington will have responsive social services and a strong volunteer sector.

Wellingtonians will enjoy recreation and be among the most active in New Zealand.

Opportunities for active and passive recreation in Wellington will be diverse, safe, affordable, accessible and attractive.



Wellington's communities will have ready access to multi-use indoor and outdoor facilities and spaces.

Wellington will host and promote international sporting events which make appropriate use of its natural environment and established facilities.

Tangata whenua and our multicultural diversity will be recognised and valued, and reflected in our city's culture.

Wellingtonians will celebrate their unique cultural identity.

Wellington will be recognised as New Zealand's arts and cultural capital, encouraging visual and performing arts.

Wellington will have venues that suit a range of events and reflect the needs of the city.

Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably.

Wellington's public transport system will be accessible and affordable for all.

Wellington will be pedestrian and cyclist friendly.

Wellington's traffic will flow smoothly through and around the city and its suburbs.

Links by land, air and sea will meet the needs of people and enterprises.

Urban development will support Wellington's uniqueness as a compact harbour city.

Wellington will protect its heritage buildings and ensure that new developments are sympathetic to them.

Wellington will preserve and improve its parks, trees and open spaces.

Wellington's urban development and buildings will be energy-efficient.

Wellingtonians will protect and have access to public green open spaces and the coast.

Wellington communities will be inclusive and welcoming to all people.

The Treaty partnership will continue to be acknowledged in all local decision-making processes.

Wellington will have a culture of open and honest, no-surprises consultation involving all age groups that is genuine, timely and well-informed.

Wellington's governing bodies will comply with all legislative requirements and will behave in an ethical and fair manner.

Information required by citizens and groups will be easily accessible to enable participation in the community.

Wellington's media will be diverse, open and accessible to all people.

Wellington will have clear directional signage.

Wellingtonians will be actively involved in their communities, and work with others to make things happen.

Our strategic approach

What we're aiming for – Council's outcomes

The Council's outcomes are our overall 10-year aspirations for the city. They were developed in response to the city and regional community outcomes processes and reflect the community aspirations set down in those processes. However, there are differences. The Council outcomes reflect areas of the city we are able to influence, whereas community outcomes reflect the community's overall aspirations including areas we have limited ability to influence (for example, affordability of public health services and diversity of the media). The Council outcomes also take into account other considerations, such as:

- the roles we are required by law to play – for example, resource management/urban planning roles
- our existing high-level policies (which have themselves been the subject of extensive consultation)
- strategic analysis of each of our key activity areas (governance, environment, economic development, cultural wellbeing, social and recreation, urban development, and transportation – see *Strategies* below).

Of our outcomes, the first six can be characterised as seeking a high quality of life. The remaining seven can be characterised as seeking sound city foundations.

WELLINGTON CITY COUNCIL OUTCOMES

- | | |
|----------------------------|---|
| 1. More liveable | 8. More sustainable |
| 2. Stronger sense of place | 9. Safer |
| 3. More compact | 10. Healthier |
| 4. More eventful | 11. More prosperous |
| 5. More inclusive | 12. More competitive |
| 6. More actively engaged | 13. More entrepreneurial and innovative |
| 7. Better connected | |

In the Introduction to each chapter of *Part 3: Our Work in Detail*, we provide more detail on what each outcome means for the city and how we propose to work towards them.

Strategies

To guide us as we work towards achieving our outcomes, we have developed strategies for each of our key activity areas: governance, environment, economic development, cultural wellbeing, social and recreation, urban development, and transportation.

The strategies explain:

- the key challenges facing the city
- the outcomes relevant to that area

- the steps we can take to achieve the outcomes
- the measures we'll use to monitor progress
- our areas of focus for the next three years – these are stepping stones towards the outcomes, and they guide our decisions about where we should place our emphasis over this period.

We provide a succinct account of these in the introductions to each of the chapters in *Part 3: Our Activities in Detail*. We also provide a strategy tree in each chapter – a diagram that shows the links between the outcomes we seek and our activities.

Activity reviews and outcomes assessments

Much of what's outlined in this long-term plan is a continuation of the programmes we've been running for years. In other cases we're aiming to address strategic gaps in light of the changing environment.

As part of our planning and policy process, we review all Council activities. These reviews are aimed at ensuring our activities support our overall strategic approach and also at identifying areas where more efficient use of resources might allow us to support new activities. This work includes taking account of how we have performed in recent years. (For a full account of what we achieved see our *Annual Report 2007/08*.)

Asset management

We manage about \$6 billion worth of assets – things like buildings, roads and footpaths, pipes and drains, the landfill, swimming pools and recreation centres, the Town Hall, and heaps of land. We need to know that these assets can meet people's needs – that stormwater drains won't overflow in heavy rain, for example, and that roads won't be left to develop potholes. To assure ourselves that we're managing things right, and to ensure that our decisions about asset renewals and replacements are consistent with our overall strategic approach, we've developed asset management plans.

For each of these plans, we go through a comprehensive process to figure out:

- what assets we have
- how old they are
- what condition they are in (we call this 'condition assessment' or 'condition audit')

- whether they are meeting current needs
- how much longer they can last for
- whether demand will go up in future (because the population is growing or people are doing things differently)
- what maintenance work, upgrades and renewals will be needed to meet demand in the next 10 years or so
- how much it will all cost.

Each of our asset management plans defines the 'levels of service' we expect from each asset. This includes things like the condition it needs to be in to meet users' needs (eg how smooth roads need to be), or its compliance with New Zealand Standards or legal requirements or resource consents.

For most assets, we develop a 'lifecycle management strategy' which aims to achieve the required levels of service while using money as efficiently as possible. This approach helps us to determine when we should deal with problems only when they arise and when we should carry out a programme of preventative maintenance and upgrades to ensure problems don't arise. Major maintenance needs are identified by inspections of each asset's condition and by reviewing customer complaints. When we're deciding whether to renew or replace an asset, we'll consider: risk (i.e. how much of a problem will it be if the asset fails?); asset performance (is it meeting the required level of service?); and economics (is the maintenance costing us more than replacement would?).

We keep our asset information on various computer systems. CONFIRM is a software system that has information about most of our assets, their condition and maintenance programmes, and any customer feedback or complaints made to our

Contact Centre. We also have geographical asset databases, a property information system, and various other asset databases for specific areas of operation.

Our asset management plans are monitored and updated on an ongoing basis as new information becomes available about asset condition, service levels, demand and so on. As well as these ongoing updates, we aim to completely review each plan annually within two months of the start of the financial year to incorporate Council decisions about strategy, new initiatives, budgets and performance measures. Our asset management plans are also externally peer-reviewed to ensure they are consistent with industry best practice.

Deciding when and how to intervene

The responsibility for local authorities to look after 'well-being' was introduced by the Local Government Act 2002. 'Well-being' is a very broad concept. It means that Councils are responsible not only for core infrastructure such as water supply and transport networks (though core services remain very much the focus of our work) but also for helping the community achieve its aspirations for – among others – prosperity, social cohesion, inclusiveness, and safety.

It is left to local authorities, working with their communities, to determine whether well-being is served by Council action, and if so what type of action the Council should take.

The range of options open to us includes:

- advocacy – using local knowledge/expertise to encourage others to act or fund services that contribute to well-being
- facilitation – bringing others together or providing guidance so others can act

- regulation – requiring others to act in particular ways, either to comply with legislative requirement or bylaws
- funding – either directly or through partnerships that leverage external funding, or
- providing a service – directly owning assets and providing services such as pools, libraries, roads, and water pipes.

Well-being may be best served by the Council directly providing a service – such as water supply or waste management. Or it may be best served through the Council taking a facilitation role, aimed at achieving benefits for the community without imposing significant costs on ratepayers.

Whether we take action at all, and what type of action we take, depends on a range of factors including:

- legislative requirement
- contractual obligation
- community expectation
- costs, benefits, and risks
- impact on others (for example, if we provide a service will someone else withdraw).

In addition, for this long-term plan, we have been guided by a set of principles which reflect the environment we are currently operating in (see below).

Making progress in a challenging environment

The past decade has seen significant investment in Wellington.

Based on strong economic performance, the Council has sought to strengthen infrastructure and basic services – road, water, waste – while also supporting the city's transformation as a place to live, visit, and do business.

In the last decade or so, Westpac Stadium has opened, the waterfront progressively transformed, Waitangi Park completed, the St James and Embassy Theatres redeveloped, the Karori Sanctuary conserved, and the city's entertainment calendar ignited with events such as Cuba Carnival, the Sevens, WOW, Homegrown, and Diwali.

There has also been significant investment in core services – for example in new water reservoirs, upgrades of the stormwater network, and development of the transport network.

Wellington now is a more vibrant city, with more to see and do, more entertainment on offer, and an economy that is based on knowledge, culture, creativity and innovation, and tourism, as well as on finance and government.

In the next few years, the city will face some challenges.

Along with other cities, we will be called on to respond to:

- the global economic slowdown
- pressure on household budgets
- a changing climate and the first real steps towards lower carbon lifestyles
- the need to engage with citizens about decisions that affect their lives
- competition from other cities
- a population that is growing, and ageing, and has more diverse wants and needs, and
- changing technology, which is influencing lifestyles and public expectations.

We are responding to those challenges and continuing to take Wellington down the path towards being a world-class, affordable city.

In determining the Council's programme for the next decade, we have considered:

- **Affordability** – We have sought to keep the rates increase within acceptable levels. We have done this by maintaining

most services at current levels, and seeking to deliver services as efficiently as possible. We have also sought to target new funding where it brings most benefit. The feedback we've received confirms that residents would not support cutting services in order to reduce the rates burden, and nor would they support significant increases in user charges.

- **Agility** – Since local authorities were made responsible for 'well-being', their role has changed from being a provider of core services to a broader role of helping residents achieve their aspirations for the city. This means being able to respond to a wider range of demands, while also being able to react to a volatile economic environment. It also means being clear about when our role is to support or advocate, rather than building and maintaining costly assets in order to provide services directly.
- **Competitiveness** – We focus resources on areas that make the most difference to Wellingtonians' well-being and to the city's competitive advantage. As an example, even in a more challenging economy we are maintaining our investment in events. Reducing this investment would compromise Wellington's reputation as a vibrant city and as New Zealand's arts and culture capital – with long term implications for tourism, jobs, and the attractiveness of the city as a place to live.

- **Demand management** – Meeting increasing demand for water supply means new reservoirs and pipes have to be built, bringing financial and environmental costs. Likewise, the transport system cannot expand indefinitely to meet demand for private cars; alternatives such as public transport or walking produce fewer carbon emissions and are much kinder to household budgets. And, although Wellingtonians are doing a great job at recycling and reducing household waste, there is still some way to go to achieve a zero waste economy, which is the most efficient and sustainable option. For these reasons, we seek to reduce or manage resource use and demand where possible. Examples of demand management include introducing artificial turf which can be used more often and for longer periods, reducing the need to open up new sports fields; promoting transport choices; and encouraging people to use facilities outside of 'peak' times.

Throughout Part 3: Our Activities in Detail, you'll see panels labelled 'Managing our assets'. These tell you about the specific assets we use in that area and any major renewals or upgrades we're planning.



PART THREE: OUR WORK IN DETAIL

■ How the following chapters are organised

In this section, you'll find detailed information about our plans for the next 10 years.

Our work is divided into seven strategic areas: governance; environment; economic development; cultural well-being; social and recreation; urban development; and transport.

In each chapter, you'll find information about: what we do; why we do it; how much we expect it to cost; how we expect to pay; how we'll measure whether we're doing it well enough; and how we manage the assets we use to deliver the service we're providing.

Each chapter is structured to explain our work and the thinking behind it as clearly as possible, by guiding readers from the high-level outcomes or aspirations we step through to more detailed explanations of what we do and the levels of service we aim to achieve. This approach aims to maximise our accountability to the people of Wellington by ensuring readers can easily understand our activities and the outcomes we are working towards, as required under the Local Government Act 2002.

■ What you'll find in each chapter

| STRATEGIC AREA |
|----------------------|
| Introductions |
| The outcomes we seek |
| Strategy tree |

| ACTIVITIES |
|------------------------------------|
| What's included here |
| Why it's important |
| Contribution to community outcomes |
| What we'll provide |
| How we'll measure our performance |
| How we manage our assets |
| Who should pay |
| What it costs |

A good place to start is the tables headed **at a glance**. These provide a summary of what's contained in each strategic area.

Introductions

At the start of each strategic area, we briefly talk about the challenges facing the city and our long-term approach to addressing those. We note the policies that support our work, links to other strategy areas, and outline any significant negative effects where we have identified them. We then outline the outcomes we're working towards and the areas that we'll focus on over the next three years – given that no organisation can achieve all of their aspirations at once.

We've also included **strategy trees**; a diagram to show the links between our aspirations for the city known as Council outcomes and the actual work we do. They also show how our work contributes to the community's aspirations for the city – 'community outcomes'. They are a shorthand, visual way of explaining the strategic thinking behind our work.

We then step through each **activity** in more detail. We note what's included and discuss **why it's important**.

Our decisions aren't made in a vacuum. Every decision we make takes into account a huge range of factors all ultimately designed to make sure that our work programme benefits the city and reflects the collective will of Wellington's people.

These sections outline why we undertake the activity. We describe this in terms of the primary outcomes that we feel the activity contributes to. We also note the wider community outcome that it contributes to.

We also outline our **levels of service** – what we'll do and detail how we will measure our performance.

We have generally set targets for the first three years of the plan and provided a target at the end of the 10 years that we will work towards. We have followed an extensive exercise in setting these measures. In deciding which measures to use, we considered factors such as: relevance, measurability, completeness, and whether they are understandable. We also weighed up the cost and the practicality of identifying and monitoring activities. These are summarised in tables that link the targets and measures to a synopsis of the levels of service and the outcomes that we seek.

The extent to which we meet these measures and indicators is discussed each year in our Annual Report. The Annual Report also provides a description of what we did for that year – the aim of this is to report against the 'what we do' section in this long-term plan.

For each activity we also outline **who should pay**. These tables show at a glance who we believe should pay for the activity. We have followed a complex process to determine this. To find out more see the Revenue and Financing Policy in volume two of this long-term plan.

The **what it will cost** tables show how much we plan to spend and the revenue we expect to receive overall for each activity. These cover the first three years of this plan. The projected costs over the next 10 years of the plan are provided at the end of each chapter.

GOVERNANCE



Introduction

This provides a succinct outline of the key challenges we face, our long-term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those

1.1 Information, consultation and decision-making

This activity covers our decision-making role. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

1.2 Engagement (including mana whenua partnerships)

This activity includes a statement on what we'll do to develop opportunities for Maori to contribute to our decision-making processes (as required by law). We also outline our partnership with mana whenua, provide context as to why that's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | |
|---|---|
| OUR AIM ▶ | <i>Delivering trust and confidence in civic decision-making</i> |
| WHAT WE DO TO SUPPORT OUR AIM | 1.1 Information, consultation and decision-making 1.2 Maori engagement (including mana whenua) |
| CHALLENGES WE FACE | <ul style="list-style-type: none">• Consulting in ways that residents find meaningful and convenient.• Raising understanding of Council decision-making processes and opportunities for input.• Demonstrating that decisions are made in the city's wider interests. |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none">• Building public trust and confidence in the decisions we make and the services that are offered.• Increasing awareness of the reasons for our decisions and in particular our need to balance our limited resources across all our services.• Developing new ways to engage – ones that better meet residents' needs. |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none">• Making effective use of online tools to make it more convenient for people.• Strengthen our relationships with the government sector and the wider region so that we can continue to influence decisions that affect our communities.• Sustaining and enhancing our partnerships with mana whenua. |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none">• When the percentage of residents who believe decisions are being made in the best interests in the city continues to increase.• When an increasing percentage of residents continue to state they are satisfied with their involvement in decision-making.• When mana whenua express continued satisfaction with all aspects of our interactions. |



Delivering trust and confidence in civic decision-making

Introduction

One of our statutory functions is to 'facilitate democratic local decision-making' – in other words, make sure Wellingtonians have a say about the city and its direction.

In practice, this means:

- keeping residents and local businesses informed
- providing opportunities for input at all levels – from elections every three years to receiving submissions about strategies and plans, to being able to have a complaint addressed when services aren't working as they should, and
- ensuring all people and communities feel able to participate in the local democratic process.

The challenges we face

All civic organisations face challenges in informing and engaging with residents. People have busy lives, and in general are less involved in and trusting of public institutions than they once were. In Wellington, as in other cities, the challenges we face include:

- declining involvement in local elections
- consulting in ways that residents find meaningful and convenient
- ensuring that all voices are heard, especially as the city becomes more diverse
- raising understanding of Council decision-making processes and opportunities for input
- demonstrating that decisions are made in the city's wider interests.

The long-term approach

Wellington City Council's long term approach to engagement and governance is to build public trust and confidence in the decisions we make and the services that are offered. This is important for the health of our local democracy. The more aware residents are of the reasons for our decisions and in particular our need to balance our limited resources across all our services, the more confident they are likely to feel in the decision-making process.

The approach is based on finding new ways to engage – ones that hopefully better meet residents' needs. This includes recognising the important connections our operational staff make with residents on a daily basis, and increasing our commitments to providing information and receiving feedback online.

Supporting policies

Our work in this area is supported by our Engagement Policy, Significance Policy, rating policies and the procedures and controls we have in place around our committee structure. More detailed information about the Council's governance role can be found in the Governance and Management report within our 2008 Annual Report. All of these documents are available from www.Wellington.govt.nz.

Links to other strategies

Our governance work is overarching. The decisions we make and the way we make them drives the services we provide in our other strategies.

As such, the achievement of our main goal here: to build public trust and confidence, is interlinked with the way all of our services are delivered and experienced.

KEY FACTS

The Council is made up of the mayor and 14 councillors. They are elected to make decisions on behalf of residents and ratepayers.

Only 40 percent of Wellingtonians voted in local elections in 2007, down almost eight percentage points from the 2001 election.

Each year, we hold more than 130 meetings of the Council and its committees and subcommittees. Agendas are required at least two working days in advance.

The percentage of residents that believe the Council makes decisions in the best interests of the city is increasing (from 54% in 2007 to 59% in 2008).

Our Contact Centre answers more than half a million calls each year.

Negative effects

We do not anticipate any significant negative effects from our engagement and governance activities.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ MORE INCLUSIVE

Wellingtonians will become more actively involved in the direction of their communities.

We provide a wide range of opportunities for input, ranging from voting in local elections, to making submissions on Council initiatives and proposals, to providing points of access for people to raise questions or suggestions about the city or services.

We measure progress towards this outcome by monitoring voter turn-out and residents satisfaction with the way council involves them in decision-making.

■ MORE ACTIVELY ENGAGED

Wellingtonians will (a) recognise the special position of Maori in the city's history and this will be evident in current relationships; (b) operate an open and honest decision-making process that generates confidence and trust in the decision-making system, and (c) information required by citizens and groups will be easily accessible to enable participation in the community.

We contribute to this outcome by:

- engaging with and involving mana whenua in our decision-making
- informing residents through a variety of publications, newspaper advertisements, and our award-winning website.

We measure progress towards this outcome by monitoring the percentage of residents that believe the Council make decisions in the city's best interests.

Our focus for the next three years

The way we respond to current challenges will be important over the next three years.

Our key focus will be on:

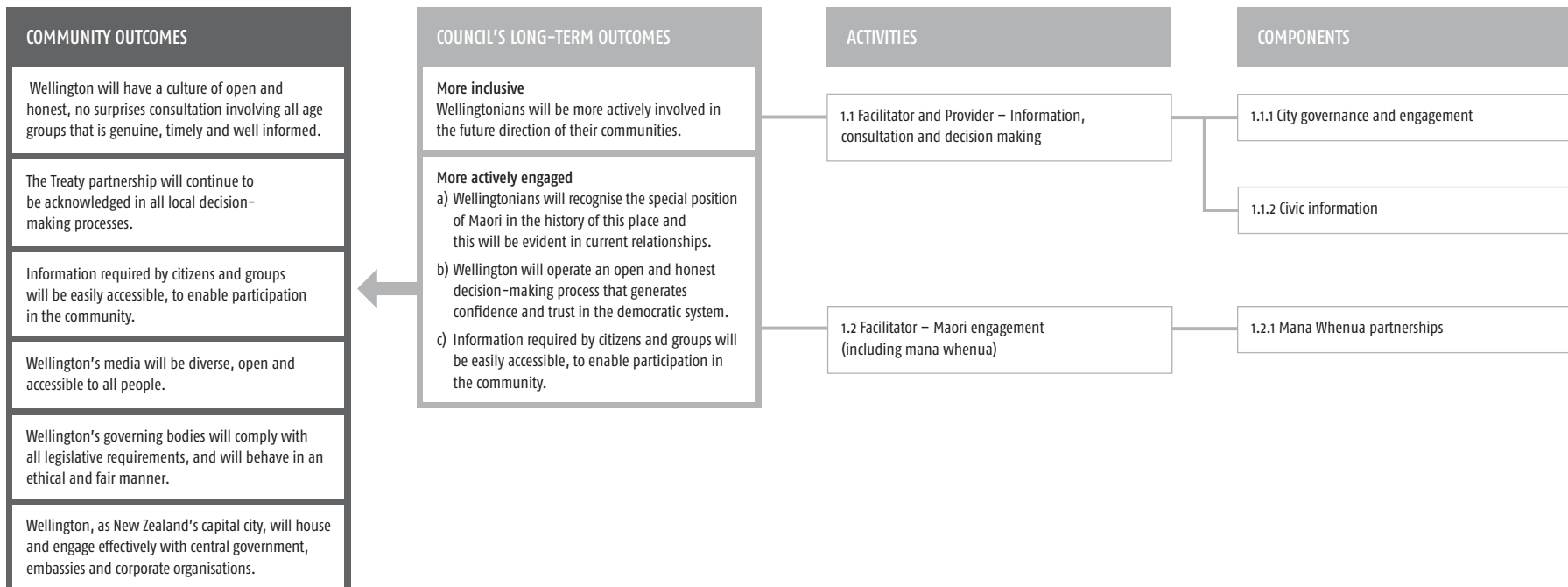
- making effective use of online tools to make it more convenient for people – including youth who have historically been hard to reach – to comment on Council's proposals
- strengthening our relationships with the government sector and the wider region so that we can continue to influence decisions that affect our communities
- sustaining and enhancing our partnerships with mana whenua.

Our investment in the city

In the next three years we plan to spend \$45.862 million in operating expenditure and \$0.107 million on capital projects in this area.

Over the next few pages, we provide detailed information about our activities in this area, what they cost, who we think should pay, and the other measures we use to monitor our performance.

STRATEGY TREE – GOVERNANCE



1.1 INFORMATION, CONSULTATION AND DECISION-MAKING

What's included here

We aim for a culture of openness where the city's residents can get information about the city and how it runs, and feel that they can make their views known.

Our decision-making and consultation processes are designed to do that. This includes:

- the work of the mayor and councillors in setting the strategic direction for the city (and the secretariat support provided to them)
- making sound decisions on policies and bylaws
- accounting for our performance through annual plans and annual reports
- providing avenues for the public to have a say on decisions that affect their lives
- supporting community boards and running local elections
- allowing access to information and points of contact for queries and complaints to be resolved.

Why it's important

Democratic local decision-making is important for its own sake, because we exist to represent the collective will of the people we serve. It is also important for the benefits it brings such as higher levels of community engagement and higher confidence in local decision-making.

As with all Councils, we have directive powers – we require land owners to pay rates and we set bylaws that can place limits on people's actions. It is therefore important that people have a right to and can comment or object to the decisions we plan to make.

Providing information about our services is important for several reasons. It allows people to have an input into decisions, or take advantage of entertainment or recreation opportunities, or make decisions about their own property, or simply to know what's going on in their local area. Open, honest communication about public services is part of any healthy democracy.

These notions are reflected in legislation. The Local Government Act 2002 sets out the decision-making, planning and accountability procedures expected of local authorities. Other legislation requires us to keep a record of our work and provide access to the information we hold. The work we do under this activity ensures we comply with these requirements.

Contribution to community outcomes

Our city governance and engagement work contributes substantially to the following community outcomes: "Wellington's governing bodies will comply with all legislative requirements, and will behave in an ethical and fair manner", "Wellington will have a culture of open and honest,

no surprises consultation involving all age groups that is genuine, timely and well informed', and 'Information required by citizens and groups will be easily accessible, to enable participation in the community'.

What we'll provide – our level of service

The decisions required to run a city can be complex. Our processes are designed to ensure that our decisions take account of emerging issues, communities' views, alternative options, legislation and our past performance. All of this takes time, research, analysis, and debate and it involves a range of people with different skills.

Our workload over the next three years is based on past demands. Resources have been set at a level sufficient to guide the implementation of the activities in this plan. We'll comply with legislation and be responsive to any proposed changes to the law that may affect our communities. And we'll remain committed to engaging with the public on matters about the city.

The extent to which we consult on matters will be determined by: legislation; our consultation policy; the significance and nature of the decision to be made; the level of public interest in the matter; the potential impact on affected and interested parties; the urgency of the matter; and the extent to which the views of the community are already known to the Council.

In terms of ensuring access to information, we'll:

- keep residents informed through a wide variety of media, including newspapers, radio, Council publications, the weekly *Our Wellington* page in the Dominion Post and our website
- provide agendas for Council and committee meetings in advance, and make our meetings open to the public except on occasions where there is a legitimate reason for Council to consider confidential matters
- provide information, answer queries and address complaints through our 24-hour-a-day Contact Centre
- give members of the public access to information on property values.

We also plan to reduce the design and printing aspects of our publications and to limit catering costs for council meetings.

Over the next three years we plan to do the following

key projects:

- We'll review the community outcomes. Our current set of community outcomes were developed in 2006 (see Part Two Setting Our Direction). We plan to facilitate this process in the lead up to the next long-term plan when we will be required to by legislation.
- We'll explore new ways to engage with the public. In recent years we've introduced online surveys and e-petitions.

We'll continue to trial other options (such as discussion boards on civic issues) that are convenient, easy to use and tailored to the information that's being sought or shared.

- We'll strengthen regional and community networks. It will be important for Wellington to consider the principles discussed by the Royal Commission of Inquiry into Auckland Governance and the Government's response. *Grow Wellington* the regional economic development agency is an example of how the wider region can work collectively. We'll continue to explore the most effective and efficient ways to capture economies of scale and co-ordinated decision-making (such as shared services) while providing for local influence on matters that affect local communities.
- We'll develop an advocacy programme at both elected member and officer level to generate greater and more coordinated central government investment into services and programmes for the city.
- We'll run the local body election on 9 October 2010.
- We'll carry out a Representation Review in 2012 to get public views about the size of the Council, whether we should elect on a city wide basis or by wards, and the number and location of community boards.
- We'll outline our progress towards this plan every year in our Annual Report.

How we'll measure our levels of service and performance

We'll know we're making progress when our work results in the continued increase in the percentage of residents who believe decisions are being made in the best interests in the city (59% in 2008 up from 54% in 2006). Other ways we'll measure our performance are detailed on the following page.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|--|---|----------------------------|----------------------------|----------------------------|----------------------------|
| MORE INCLUSIVE MORE ACTIVELY ENGAGED | <ul style="list-style-type: none"> Residents who agree that decisions are made in the best interest of the city Resident perceptions that they understand how the Council make decisions Resident perceptions of their extent of influence on Council decision-making | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We run elections and meetings of the Council and committees. Agendas are made available to the public in advance.</p> <p>We engage and consult widely with the community before making decisions, and seek feedback on issues facing the city.</p> <p>We keep residents informed through a wide variety of media, provide information and address complaints through our Contact Centre.</p> | Resident (%) satisfaction with the level of consultation (e.g. the right amount) | 59% | At least 60% | At least 60% | At least 60% | At least 60% |
| | Residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making | 74% | At least 80% | At least 80% | At least 80% | At least 80% |
| | Number of consultation processes undertaken and the number of people that submit | No target – we use this information for monitoring purposes | | | | |
| | Voter turn-out in local elections | 40% | NA | At least 50% | NA | At least 50% |
| | E-democracy participation – number of e-petitions and number of people that participate | No target – we use this information for monitoring purposes | | | | |
| | Council and committee agendas (%) made available to the public 5 days prior to the meeting | New measure | 90% | 90% | 90% | 90% |
| | Residents (%) who agree that Council information is easy to access (i.e. from web centre, libraries, newspapers, etc) | 73% | At least 75% | At least 76% | At least 78% | At least 80% |
| | Contact Centre response rate to: calls (%) answered within 30 seconds and emails (%) responded to within 24 hours | Calls: 74% Emails: 100% | Calls: 80% Emails: 100% | Calls: 80% Emails: 100% | Calls: 80% Emails: 100% | Calls: 80% Emails: 100% |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--------------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 1.1.1 City governance and engagement | - | - | 100% | 100% | - | - | - |
| 1.1.2 Civic information | 5% | - | 95% | 95% | - | - | - |

*Note that some revenue is generated because we run elections and provide valuation services to other agencies such as Greater Wellington Regional Council. Our Contact Centre also provides after hour services for Hutt City and gets revenue for that. For more information on how activities are funded see our Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 1.1 Information, consultation and decision making | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 1.1.1 City governance and engagement | (12) | 8,757 | 8,745 | - |
| 1.1.2 Civic information | (352) | 5,660 | 5,308 | - |
| 2009/10 1.1 Total | (364) | 14,417 | 14,053 | - |
| 2010/11 1.1 Total | (596) | 15,658 | 15,062 | 107 |
| 2011/12 1.1 Total | (386) | 15,298 | 14,912 | - |
| 2008/09 1.1 Total | (319) | 12,992 | 12,673 | - |

How we manage our assets that support this activity

Much of the work for this activity requires office space and meeting rooms. These are provided within the central administration and municipal buildings. The management of these assets is done through ensuring processes and contracts are in place to keep the buildings and other assets in suitable condition. Renewal and replacement is programmed to meet business needs. Usage is expected to be constant over the next three years.

1.2 MAORI ENGAGEMENT (INCLUDING MANA WHENUA)

What's included here

We acknowledge the special place of Maori in Wellington's history and aim to work with them to strengthen opportunities to participate.

The activity covers the formal relationships we have with mana whenua (i.e. iwi with customary authority over the area). It also includes the steps we're taking to promote opportunities for Maori to contribute to our decision-making process.

(See also the Cultural well-being chapter.)

Why it's important

Wellington has a long history of settlement by Maori, and this creates opportunities and responsibilities for the Council. We want to see the special position of mana whenua acknowledged and reflected in the way we make decisions about the city and its resources. The progression of Treaty of Waitangi claims for both Ngati Toa and Port Nicholson Block claimants (Taranaki whanui) brings into focus the relationship.

As a local authority with a Crown mandate to control development of land and other resources, we have obligations to ensure mana whenua views are heard. As owners of prominent pieces of land – such as parts of Shelly Bay – it's important that we work together to achieve great outcomes for Wellington. We're keen that the development of such sites meets the needs of mana whenua and add to the city's sense of place.

Engagement with the wider Maori community reflects the right of all residents and groups in the city to have a say about issues affecting them.

Contribution to community outcomes

Through this activity we aim to meet the community outcome that: 'The Treaty partnership will continue to be acknowledged in all local decision-making processes'. This activity also contributes to the following outcomes: 'Wellington will have a culture of open and honest, no surprises consultation involving all age groups that is genuine, timely and well informed', 'Tangata Whenua and our multi-cultural diversity will be recognised, valued and reflected in our city's culture,' and 'Information required by citizens and groups will be easily accessible to enable participation in the community'.

What we'll provide – our level of service

We work with the city's two mana whenua organisations, the Wellington Tenth Trust and Ngati Toa Rangatira, to ensure their views are represented in decisions about the city, and to ensure their contribution to Wellington's heritage is fully and publicly recognised. Our responsibilities to these organisations are outlined in memoranda of understanding.

The memoranda outline how they participate in decisions on policy, protocol, and regulatory and service delivery issues. Both entities have non-voting membership on the Council's Strategy and Policy committee. These obligations place

administrative and time demands on the organisations. We provide each a grant to reflect that.

This is a time of change for our mana whenua partners. The Council will look to establish renewed or new agreements with the entities that are developed as part of the process.

How we plan to develop opportunities for Maori to contribute to our decision-making processes

We recognise and act on our obligations to develop opportunities for Maori to contribute to our decision-making processes. In addition to fostering partnerships with mana whenua we build relationships with the wider Maori community through effective engagement and consultation. We will build and maintain networks with education and social service providers, Maori business, kaumatua and rangatahi.

These relationships are supported by staff in our Maori engagement team. The Director sits on our management board. This team provides the Council with advice and administrative support on relationships with Maori.

We maintain networks with Maori in Wellington and hold hui to discuss matters of mutual concern. Our internal recruitment and training procedures aim to improve our capacity to respond to Maori issues appropriately.

Our Representation Reviews – the process for setting local electoral boundaries – provide the opportunity to consider

the creation of a Maori ward. In addition, five percent of the public can demand at any time that a binding poll be held on the question. Wellington's population means that only one Maori ward could be created. The partnership approach is currently favoured by mana whenua.

The Council continuously seeks to identify opportunities to improve these relationships. As part of this we survey our mana whenua partners annually.

We also promote and celebrate Maori culture through events, such as Matariki, and in public art and heritage sites. The development of a wharewaka on the waterfront is another

example of increasing Maori presence in the heart of the city. Projects such as these benefit directly from the input, inspiration, funding and support of Maori. The benefits are seen by the whole community. From 2009/10 additional funding of \$50,000 per year will go towards the development of a stronger programme of Maori cultural celebrations and events in the city.

We hope that the visible recognition of such projects and events will add to people's trust in the Council and demonstrate how engaging with us on decisions about projects and on wider issues can improve people's experiences of the city.

How we will measure our level of service and performance

Relationships are built up and sustained through a series of actions over a period of time. We'll know our relationship is progressing when mana whenua express satisfaction with all aspects of our interactions. We'll use the following measures to gauge our performance.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|--|--|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| MORE INCLUSIVE MORE ACTIVELY ENGAGED | <ul style="list-style-type: none"> • Mana whenua partner satisfaction with Council relationship • Mana whenua partner satisfaction that 'Wellington is a great place to do business in' | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We work with our mana whenua partners to ensure their views are represented in decisions about the city, and work with the wider Maori community on issues of specific interest to them. | Mana whenua partner survey – satisfaction with Council relationship, including: <ul style="list-style-type: none"> • General relationship and Memorandum of Understanding • Policy and Resource Management Act advice • Protocol advice | Very satisfied and neutral | Both partners are satisfied | Both partners are satisfied | Both partners are satisfied | Both partners are satisfied |
| | Maori residents* (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making. | New measure | At least 80% | At least 80% | At least 80% | At least 80% |

* Note: Maori residents will be surveyed from the Maori Organisations, Residents and Ratepayers Database.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 1.2.1 Maori and mana whenua partnerships | - | - | 100% | 100% | - | - | - |

We have obligations to ensure mana whenua views are known on decisions that affect them. This places costs on them and the Council. Given that benefits of this work flow through to the wider community, the Council considers it appropriate to fund this project from general rates. For more information on how activities are funded see our Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 1.2 Maori engagement (including mana whenua) | Operating expenditure 2009–2012 | | | Capital expenditure 2009/2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 1.2.1 Maori and Mana whenua partnerships | - | 160 | 160 | - |
| 2009/10 1.2 Total | - | 160 | 160 | - |
| 2010/11 1.2 Total | - | 164 | 164 | - |
| 2011/12 1.2 Total | - | 166 | 166 | - |
| 2008/09 1.2 Total | - | 110 | 110 | - |

10-year Financial Projections – Governance

Operational Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 12,992 | 1.1 | Information, consultation and decision making | 14,417 | 15,658 | 15,298 | 15,861 | 16,989 | 16,584 | 17,115 | 18,381 | 17,976 | 18,768 |
| 110 | 1.2 | Maori engagement (including mana whenua) | 160 | 164 | 166 | 169 | 172 | 174 | 177 | 180 | 183 | 186 |
| 13,102 | | Total Operating Expenditure | 14,577 | 15,822 | 15,464 | 16,030 | 17,161 | 16,758 | 17,292 | 18,561 | 18,159 | 18,954 |
| - | | Less: Non-funded Depreciation | - | - | - | - | - | - | - | - | - | - |
| 13,102 | | Total Operating Expenditure to be funded | 14,577 | 15,822 | 15,464 | 16,030 | 17,161 | 16,758 | 17,292 | 18,561 | 18,159 | 18,954 |
| | | Operating expenditure funded by: | | | | | | | | | | |
| 319 | | Direct activity income | 364 | 596 | 386 | 398 | 652 | 422 | 434 | 712 | 461 | 475 |
| 12,783 | | General Rates | 14,213 | 15,226 | 15,078 | 15,632 | 16,509 | 16,336 | 16,858 | 17,849 | 17,698 | 18,479 |
| - | | Targeted Rates | - | - | - | - | - | - | - | - | - | - |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| - | | Other Income | - | - | - | - | - | - | - | - | - | - |
| 13,102 | | Total Funding for Operational Expenditure | 14,577 | 15,822 | 15,464 | 16,030 | 17,161 | 16,758 | 17,292 | 18,561 | 18,159 | 18,954 |

Capital Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| - | 1.1 | Information, consultation and decision making | - | 107 | - | - | 114 | - | - | 122 | - | - |
| - | | Total Capital Expenditure | - | 107 | - | - | 114 | - | - | 122 | - | - |
| | | Capital expenditure funded by: | | | | | | | | | | |
| 71 | | Depreciation | 59 | 53 | 77 | 54 | 41 | 41 | 37 | 37 | 37 | 37 |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| - | | Development Contributions | - | - | - | - | - | - | - | - | - | - |
| (71) | | Borrowings and working capital* | (59) | 54 | (77) | (54) | 73 | (41) | (37) | 85 | (37) | (37) |
| - | | Total Funding for Capital Expenditure | - | 107 | - | - | 114 | - | - | 122 | - | - |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

ENVIRONMENT



Introduction

This provides a succinct outline of the key challenges we face, our long-term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those

Over the next few pages we outline our environmental activities. For each we state what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

2.1 Gardens and beaches

This activity covers our work in relation to local parks and open spaces, botanical gardens, and local beaches.

2.2 Green open spaces (Town belts)

This activity covers the town belts, community environmental initiatives, our network of walkways, our stream protection work, and pest plant and animal management.

2.3 Water

This activity covers our water network.

2.4 Wastewater and stormwater

This activity includes our work to manage the stormwater network, and sewage collection, treatment and disposal.

2.5 Waste reduction and energy conservation

This activity includes our work to collect and dispose of the city's waste and recyclables, our landfill operations, and our work to promote energy efficiency and conservation.

2.6 Environmental conservation attractions

This activity covers the Wellington Zoo and our funding to Zealandia – the Karori Sanctuary.

2.7 Quarry

This activity covers the Kiwi Point Quarry.

STRATEGY AT A GLANCE

| | | |
|---|---|---|
| OUR AIM ▶ | <i>Protecting and enhancing Wellington's environment</i> | |
| WHAT WE DO TO SUPPORT OUR AIM | 2.1 Gardens and beaches 2.2 Green open spaces 2.3 Water 2.4 Wastewater and stormwater | 2.5 Waste reduction and energy conservation 2.6 Environmental conservation attractions 2.7 Quarry |
| CHALLENGES WE FACE | <ul style="list-style-type: none"> Protecting biodiversity and managing pest plants and animals. Reducing or offsetting greenhouse gas emissions. Encouraging efficient use of resources such as water and energy. Continuing to reduce the amount of solid waste the city produces. | |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none"> Protecting sensitive natural areas and resources. Reducing the city's green-house gas emissions; and reducing resource use and converting to renewable energy. Minimising the impact of resource use, including development, on landscapes and ecosystems Disposing of waste in ways that protect the environment and encourage recycling. Providing high quality, accessible green spaces for people to enjoy. | |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none"> Managing demand for potable water and developing a region-wide Wellington water management plan. Taking steps to reduce the organisations – and the city's – greenhouse gas emissions. Encouraging people and businesses to reduce the amount of waste they produce. Developing a strategic framework for green open spaces. | |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none"> When the vast majority of residents continue to be satisfied with the quality and maintenance of the city's green spaces. When residential water consumption targets are met. When resource consents for all our environmental activities continue to be achieved. When our waste reduction and recycling targets are met; and when our city and corporate greenhouse gas emissions reduction targets are met. | |



Protecting and enhancing Wellington's environment

Wellington has:

- a beautiful and dramatic natural environment, which is a crucial part of the city's identity
- world class botanical gardens and parks
- dozens of beaches and miles of rugged coastline
- natural bush right in the heart of the city
- a safe, high quality water supply, and
- safe, efficient systems for dealing with waste and wastewater.

The challenges we face

Like all cities, we face significant environmental challenges. One of the most important of these is the need to reduce or offset greenhouse gas emissions, but others include: encouraging efficient use of resources such as water and energy; managing pests and promoting biodiversity; and continuing to reduce the amount of solid waste the city produces.

We're working hard to respond to these challenges. After all, the environment is the foundation on which Wellington is built.

The long term approach

Wellington City Council's long term approach to protecting and enhancing the environment is focused on:

- protecting sensitive natural areas and resources
- reducing the city's green-house gas emissions
- reducing resource use and converting to renewable energy
- minimising the impact of resource use, including development, on landscapes and ecosystems
- managing waste in ways that protect the environment and encourage sustainability
- providing high quality, accessible green spaces for people to enjoy.

Supporting policies

More detailed information about the Council's approach to environmental well-being is available in the District Plan, which guides land use and development in the city, and in the Council's Biodiversity Action Plan, Climate Change Action Plan, Outer Green Belt Management Plan, Pest Management Plan, Solid Waste Management Plan, Town Belt Management Plan, Capital Spaces Policy and asset management plans for water, stormwater and wastewater, all available from www.Wellington.govt.nz.

Links with other strategies

The Council's Urban Development and Transport Strategies support environmental well-being by encouraging sustainable land use and transport options. The Environment Strategy supports infrastructure such as water supply and waste management – the city foundations upon which the health, safety, sense of community, and prosperity of Wellington's residents depend.

KEY FACTS

| | |
|---|------|
| Percentage of residents who feel the city's natural environment is appropriately protected: | 82% |
| Kilograms of kerbside recycling collected in 2008 per Wellingtonian: | 62.9 |
| Percentage of residents who visited the Wellington Botanic Garden in 2009: | 73% |

Negative effects

The waste a city produces – rubbish, sewage, stormwater runoff, hazardous waste etc – are in themselves negative effects on the environment. Many of our activities are aimed at dealing with these negative effects in ways that cause the least possible long-term harm.

Wastewater is treated to make it safe for disposal at sea (the sludge is landfilled).

Stormwater is not treated, but is monitored to ensure contaminants do not exceed levels allowed under our resource consents. We also work to educate residents about the consequences of disposing of contaminants in the stormwater network.

With these major infrastructure assets, the negative effects from service failure are far more serious than the effects from service provision.

We manage our assets to avoid service failures by carrying out a programme of regular monitoring and maintenance, and by prioritising critical work – for more on this, see the commentary on 'how we manage our assets' under each activity on the following pages.

Negative effects from landfills can include leachate and production of gases. We monitor these effects and we manage both open and closed landfills with the aim of reducing or mitigating these effects where possible. Hazardous wastes, for example, are collected and dealt with safely. We regulate trade wastes to ensure they are disposed of safely and do not enter the sewage system. We are taking steps to reduce the amount of waste disposed of at landfills, including education, price signals and sorting of rubbish at the landfill to remove recyclables and green waste.

Our quarrying operation directly affects the visual environment in a prominent area of the city. To mitigate this effect, we are progressively restoring quarry sites as the useable material is exhausted.

In our management of the city's open spaces, we seek to balance recreation needs against environmental protection. While recreational use can have negative effects on the immediate environment, in most cases these are not significant.

We do not anticipate any other significant negative effects associated with our management of these assets, or from our other environmental well-being programmes.

What we want – the outcomes we seek

We aim to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ MORE LIVEABLE

Wellington will provide a wide range of social and recreation opportunities that don't compromise environmental values.

We contribute by maintaining more than 35 square kilometres (185.5 m² / person) of reserve land, over 365kms of tracks, as well as botanical gardens, beaches and the coastline. They receive high levels of use for leisure activities and recreation.

We measure progress towards this outcome by measuring the percentage of residents that use the city's open space per month.

■ MORE COMPETITIVE

Wellington's high quality natural environment will attract visitors, residents and businesses.

We contribute by supporting attractions such as Zealandia – the Karori Sanctuary, the Wellington Zoo, Otari Wilton's Bush and the Botanic Gardens, and support the development of others such as the Carter Observatory.

We measure progress towards this outcome by monitoring the number of people visiting key attractions.

■ **BETTER CONNECTED**

A network of green spaces and corridors will link the coast and bush areas.

We provide 365km of tracks and walkways throughout the city linking open space and bush areas. In recent years we have taken steps to expand and improve the quality of these walkways – for example, through development of the Skyline Walkway in the Outer Green Belt.

■ **MORE ACTIVELY ENGAGED**

The community will feel a sense of kaitiakitanga/guardianship over the natural environment.

We support community groups, schools and organisations that work to maintain and improve the city's natural environment. Volunteer environment groups work more than 9,000 hours on programmes throughout the city each year. We monitor the number of hours worked by volunteers and this has steadily increased in recent years.

■ **MORE SUSTAINABLE**

The city will reduce its impact on the environment through more efficient use of energy, water, land and other resources, and by minimising waste.

We contribute by providing leadership on water and energy efficiency, and by encouraging viable resource recycling and disposal of liquid and solid waste.

We measure progress towards this outcome by monitoring the amount of waste the city deposits in the landfill and the amount of water used per resident each year.

■ **SAFER**

Wellington's water will be safe to drink, its air safe to breath, and waste will be disposed of in ways that minimise harm.

We contribute by managing the water network, stormwater and sewage network/treatments plants, provide waste collection, landfill and recycling services, and encourage sustainable forms of transport.

We measure progress towards this outcome by monitoring central city air quality, stormwater quality and regional energy use per resident.

■ **HEALTHIER**

Natural ecosystems will be restored so there are healthy habitats for indigenous and non-indigenous plants and animals.

We contribute towards this outcome by controlling pest plants and animals, and supporting projects that protect natural ecosystems – including the Karori Sanctuary.

We measure progress towards this outcome by monitoring population trends in a variety of native bird species. The number of native birds is generally increasing in reserves we monitor.

■ **STRONGER SENSE OF PLACE**

Wellington will value and protect the city's natural heritage.

We contribute towards this outcome by managing the Town Belt, Outer Green Belt, the Botanic Gardens, reserves and Wellington's coastline.

We measure progress towards this outcome by monitoring the percentage of residents who think the city's natural environment is appropriately managed and protected.

Our focus for the next three years

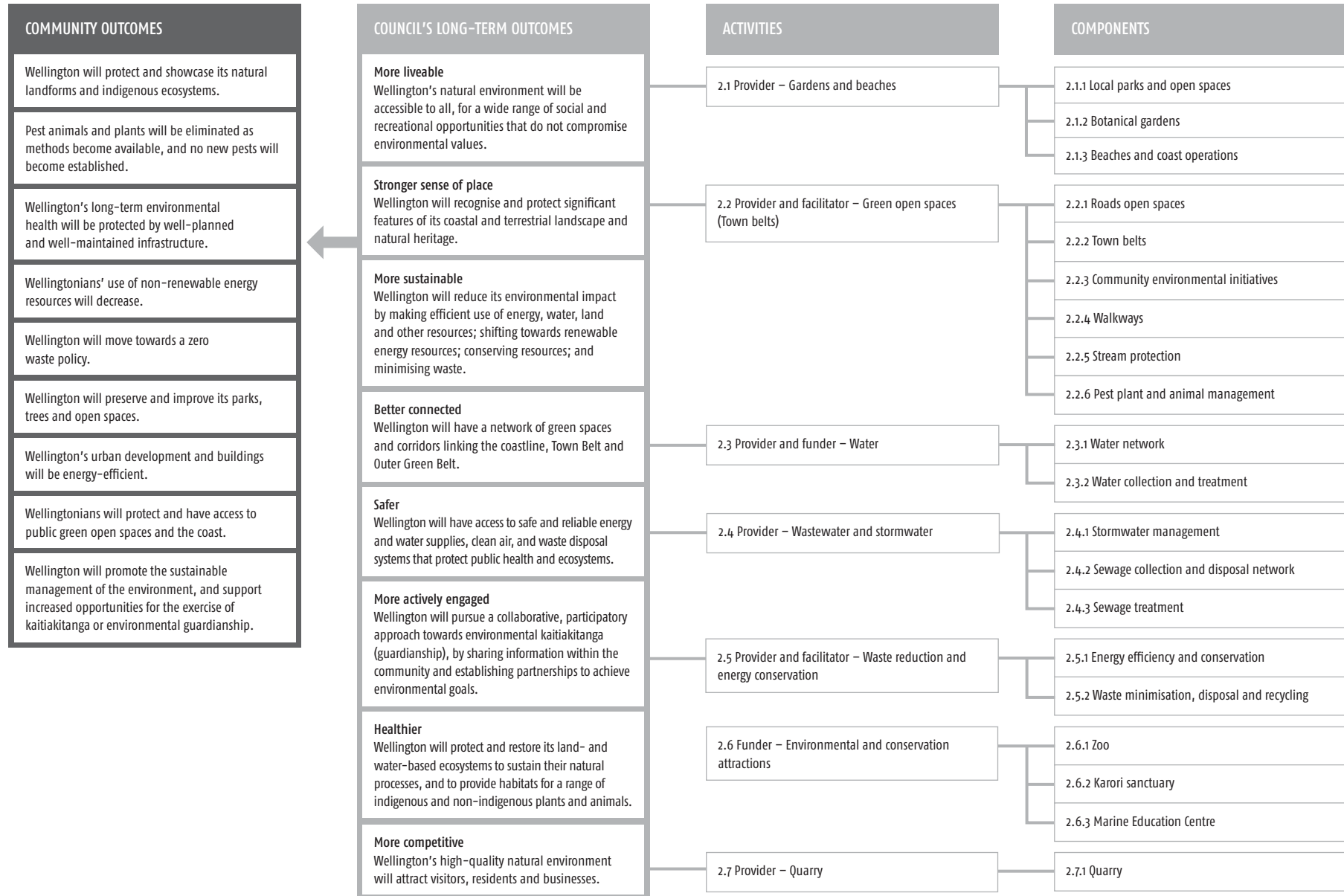
Overall we'll continue our work to preserve and enhance the city's unique environment. Our key focus will be on:

- Managing demand for potable water. We will be working with other councils on a region-wide Wellington water management plan which will make recommendations on an appropriate mix of water conservation targets for the region and future capital works to meet the water needs of a growing population.
- Taking steps to reduce the organisation's – and the city's – carbon emissions by pro-actively auditing Council's high energy-using facilities to inform planned renewals and prioritise building upgrades. We will also take a lead role in facilitating a larger scale insulation and heating retrofit programme to Wellington dwellings.
- Encouraging people and businesses to reduce the amount of waste they produce and to reuse and recycle wherever possible. We'll also be developing stage four (out of five stages) of the landfill to ensure the landfill can meet the needs of the city into the future.

- Developing a strategic framework for active and passive open space provision. The strategic framework will guide future decisions around levels of service and investment for this area of activity.
- Progressing the development of Zealandia – the Karori Sanctuary visitor and education centre, and determine the feasibility of building a Marine Education Centre at the former 'Maranui Depot' site in Lyall Bay.

In the environment area we plan to spend \$385.626 million in operating expenditure in the next three years and \$85.250 million on capital works. Over the next few pages we provide detailed information about our activities in this area, what they cost, who we think should pay, and how we'll measure our performance.

STRATEGY TREE – ENVIRONMENT



2.1 GARDENS AND BEACHES

What's included here

Our aim is to care for the city's gardens and beaches in ways that balance protecting nature with opportunities for enjoyment.

We look after the city's parks and gardens, including the Wellington Botanic Garden, Otari Wilton's Bush, Bolton Street Memorial Park, Truby King Park, and a number of other actively managed reserves.

We also look after many of the city's beaches – covering the rugged south coast, eastern bays, Miramar Peninsula, Evans Bay and Makara Beach – boat ramps, slipways and jetties.

Why it's important

A high quality natural environment enhances the city's unique 'sense of place' and provides attractive, safe and accessible opportunities for outdoor leisure and recreation for residents and visitors alike. The Wellington Botanic Garden alone is estimated to have more than a million visitors a year.

Parks, gardens and beaches make the city's environment greener and more pleasant for residents and help in the conservation and protection of native and exotic plants; their vegetation also helps to absorb the city's carbon emissions. They are natural gathering places and, by bringing people together, enhance social cohesion. This not only improves quality of life but adds to people's sense of pride in the city and makes it an attractive place to live, work and visit.

Contribution to community outcomes

Our gardens and beaches activity contributes primarily to the following community outcomes: 'Wellington will protect and showcase its natural landforms and indigenous environments', 'Wellingtonians will protect and have access to public green open spaces and the coast' and 'Wellington will preserve and improve its parks, trees and open spaces'.

What we'll provide – our levels of service

Our work programme over the next three years is based on past demands and set at a level to maintain existing levels of service taking into account projected population growth and other demand factors.

Over the next three years we plan to:

- look after the city's parks and gardens, including the Wellington Botanic Garden, Otari Wilton's Bush, Bolton Street Memorial Park, Truby King Park, and a number of other actively managed reserves
- promote native planting through our work in the city's gardens and at the Berhampore Nursery, which grows around 80,000 plants each year for use in parks, gardens, open spaces and coastal planting
- look after the city's beaches and coastline, from the wild south coast to Oriental Bay beach, including dune protection, planting, erosion control and maintenance of boat ramps, slipways and jetties
- plant flower beds, maintain grass areas, sport pavilions and other buildings on botanic, reserve land and beaches
- undertake arboriculture work to protect trees in public places from disease and damage and to remove those that pose a risk to public safety.

Key projects over the next three years include:

- undertaking restorative planting and access improvements at Te Raekaihau Point on Wellington's South Coast. Work will include making improvements to Te Raekaihau's entry points so people can safely access this special part of the South Coast, more controlled parking to ensure people do not park on sensitive areas, and restorative coastal planting. Funding for this project will come from the Plimmer Trust.
- renewing the Botanic Garden nursery which provides plant material for curated collections and for the Begonia House displays which is visited and much admired by thousands of people every year. We will continue our programme of installing interpretation panels throughout the gardens (and for the Treehouse) so visitors can understand and appreciate the vast collection of plants and trees at the Botanic Gardens.
- upgrading the visitor centre at Otari/Wilton's Bush to deliver a better visitor experience and educational services, and reconfigure Otari House so that the house is integrated into the garden and adapted to support research. We will also upgrade the main collections path through the forest – creating a circular walking experience through the ecological and taxonomic plant collections.

We will also reprioritise maintenance programmes for gardens and beaches – meaning that less will be spent on mowing, maintenance and garden beds for the next three years. We also plan to decommission – at a cost of \$103,000 – the Patent Slip jetty at Evans Bay which has limited current use and is in poor condition. The alternative was to restore the Patent Slip to a safe standard at a cost of \$1.4 million.

How we'll measure performance

We'll know we're succeeding when the percentage of residents who are satisfied with the quality and maintenance of gardens

and beaches remains high and stable. A full list of our performance measures for this activity is detailed in the table below:

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|--|---|--|--|--|--|--|
| MORE LIVEABLE STRONGER SENSE OF PLACE | <ul style="list-style-type: none"> • Hectares of open space land owned or maintained by WCC (per capita) • Resident usage of the city's open spaces • Resident perceptions that the natural environment is appropriately managed and protected | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13-2018/19 |
| We manage the city's parks and gardens and beaches and coastline with an aim to make these areas attractive and accessible while balancing ecological needs. | Resident satisfaction (%) with the quality and maintenance of gardens and beaches: • Local parks • Botanic gardens • Beaches and coastal areas | 91% New measure 80% | 91% 90% 80% | 91% 90% 80% | 91% 90% 80% | 91% 90% 80% |
| | City mowing sites (%) compliance with quality performance standards (i.e. grass length and health) | 88% | 90% of sites comply | 90% of sites comply | 90% of sites comply | 90% of sites comply |
| | Beach areas (%) compliance with quality performance standards (i.e. maintenance) | New measure | 90% of sites comply | 90% of sites comply | 90% of sites comply | 90% of sites comply |
| | Botanic gardens plant collection (%) compliance with quality performance standards (i.e. plant health) | 90% | 90% of collection complies | 90% of collection complies | 90% of collection complies | 90% of collection complies |
| | Reported hazards (%) that are made safe (or secured) within 24 hours | New measure | 100% | 100% | 100% | 100% |
| | Resident frequency (%) of usage of gardens and beaches: • Local parks • Botanic gardens • Beaches and coastal areas | Weekly 25% At least once in last 12 months 74% Weekly 7% At least once in last 12 months 74% Weekly 32% At least once in last 12 months 88% | Weekly 25% At least once in last 12 months 75% Weekly 7% At least once in last 12 months 74% Weekly 32% At least once in last 12 months 88% | Weekly 25% At least once in last 12 months 75% Weekly 7% At least once in last 12 months 74% Weekly 32% At least once in last 12 months 88% | Weekly 25% At least once in last 12 months 75% Weekly 7% At least once in last 12 months 74% Weekly 32% At least once in last 12 months 88% | Weekly 25% At least once in last 12 months 75% Weekly 7% At least once in last 12 months 74% Weekly 32% At least once in last 12 months 88% |
| | Resident (%) rating their ease (easy or very easy) to access their local gardens and beach areas | New measure | 90% | 90% | 90% | 90% |
| | Residents (%) who agree that gardens and beach services provide good value for money. | New measure | 90% | 90% | 90% | 90% |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|------------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.1.1 Local parks and open spaces | 5% | - | 95% | 95% | - | - | - |
| 2.1.2 Botanical gardens | 10% | - | 90% | 90% | - | - | - |
| 2.1.3 Beaches and coast operations | - | 5% | 95% | 95% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.1 Gardens and Beaches | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|------------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.1.1 Local parks and open spaces | (424) | 7,863 | 7,439 | 638 |
| 2.1.2 Botanical gardens | (415) | 4,193 | 3,778 | 1,047 |
| 2.1.3 Beaches and coast operations | (51) | 1,139 | 1,088 | 456 |
| 2009/10 2.1 Total | (890) | 13,195 | 12,305 | 2,141 |
| 2010/11 2.1 Total | (1,030) | 13,940 | 12,910 | 1,986 |
| 2011/12 2.1 Total | (1,061) | 14,265 | 13,204 | 1,645 |
| 2008/09 2.1 Total | (821) | 12,357 | 11,536 | 2,187 |

How we manage our assets that support this activity

Assets under this activity are managed under a number of asset management plans. Parks and open spaces are managed under our Park and Garden Open Spaces Asset Management Plan, the Botanic Gardens are managed under our Botanic Gardens Asset Management Plan, and coastal assets (e.g. jetties, boat ramps) are managed under our Coastal Assets Asset Management Plan. The Botanic Garden's play area is managed under our Playgrounds Asset Management Plan, and monuments and sculptures in the Botanic Gardens are managed under our Monuments and Public Artworks Asset Management Plan.

The asset management plans set down asset performance, asset condition and asset service level requirements. Decisions about maintenance, renewal and upgrade programmes are informed through regular 'asset condition assessments', demand forecasting, and agreements made with the community on levels of service through annual and long-term planning processes and other community engagement exercises. We also respond to complaints.

We ensure our assets are managed to comply with legislative requirements at all times, and maintenance, renewal and upgrade programmes are set to maintain assets in appropriate condition relative to the agreed level of service and expected demand.

The Botanic Garden and the Bolton Street Memorial Park are registered with the Historic Places Trust. They, and Otari Wilton's Bush, are listed as heritage areas in our District Plan. There are also several heritage assets within the gardens and along Wellington's coastline. We aim to conserve all heritage features. Any alteration that affects a heritage feature will require resource consent.

2.2 GREEN OPEN SPACES

What's included here

Wellington is literally surrounded by nature. The Town Belt and other natural areas give the city a distinct character, and we aim to protect – and over time – enhance our green open spaces through the regeneration of native bush.

Our work in this activity includes: looking after the Town Belt, the Outer Green Belt and other reserve land, maintaining the city's walkways and tracks to provide safe public access to outdoor recreation and leisure opportunities; carry out stream and riparian strip protection works and control plant and animal pests.

We also manage roadside vegetation and provide financial and other assistance to community groups and volunteers for projects having environmental objectives consistent with those of the Council.

Why it's important

One-eighth of Wellington's area is reserve land, much of it rugged and covered in native bush. It is a key feature of the Wellington landscape, which contributes to the city's unique identity and helps set it apart from other cities not only in New Zealand but around the world.

This uniqueness benefits the economic well-being of the city in terms of the role it plays in attracting tourists and encouraging prospective citizens. It also provides unrivalled opportunities, within minutes of downtown, for outdoor recreation and leisure activities that provide enjoyment and health benefits.

Our work in this area helps sustain the city's biodiversity by conserving and protecting natural ecosystems and providing a habitat for native plants, birds and animals. This helps ensure the enjoyment of the city's natural environment for future Wellingtonians.

Assisting the community to engage in environmental initiatives, even as basic as providing native plants for residents to plant on road reserve, raises awareness of the need to take responsibility for protecting and enhancing the natural environment and promotes more social cohesion through the development of greater neighbourhood "community spirit".

The vegetation on our reserve land also acts as a carbon "sink", helping to remove some of the city's harmful greenhouse gas emissions from the atmosphere and reducing the impacts of predicted climate change.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington will protect and showcase its natural landforms and indigenous environments', 'Wellingtonians will protect and have access to public green open spaces and the coast', 'Wellington will preserve and improve its parks, trees and open spaces', 'Pest animals and plants will be eliminated as methods become available, and no new pests will become established', and 'Wellington will promote the sustainable management of the environment, and support increased opportunities for the exercise of kaitiakitanga or environmental guardianship'.

What we'll provide – our levels of service

We will:

- look after the more than 35 square kilometres of Town Belt, Outer Green Belt and other reserve land in the city, not only for the benefit of current city residents, but also the generations to come. To secure this benefit, we will plan for how we can best maintain the integrity of the resource (including removing unsafe or at risk trees, replacing exotic with indigenous species and encouraging regeneration of existing native bush)
- maintain the city's 365km of walkways and tracks to provide safe public access to the city's natural environment for outdoor recreation and leisure opportunities
- carry out stream and riparian strip protection works, and protect native ecosystems by controlling weeds at 26 priority sites (total of 26 for 2009/10 and increasing to 35 over the ten year period) and eradicating pest animals such as possums and goats on open space and reserve land
- manage roadside vegetation to ensure it is not creating a hazard (for example, impairing motorists' line of sight, contributing to bank erosion or blocking natural run-off channels), mow roadside berms and provide assistance to volunteer groups and individuals wishing to beautify their local road reserves by providing free plants and advice on how to best plant them
- provide grants to community groups and trusts (for projects such as the Enviroschools programme) that benefit the city's environment, promote sustainability, raise awareness of

environmental issues, promote community involvement and volunteerism or otherwise contribute to our environmental objectives

Key projects over the next three years include:

- implementing the Tinakori Hill landscape development plan. The plan focuses on managing the needs of competing users, improving access points, rationalising the track network, and improving connections with other walking routes. Key viewing spots with information panels will also be created to assist in telling the story of the geology, ecology, and Maori and European history of Tinakori Hill
- implementing the Northern Reserves Management Plan, key elements which include: continuing to establish the Harbour escarpment walkway from Waihinahina Park to Ngauranga, facilitating the establishment of the Porirua Stream walkway and cycleway in Tawa, and completing a review of reserve land requirements in light of planned further development in the northern suburbs around Grenada North, Lincolnshire Farm and Stebbings Valley
- implementing the Biodiversity Action and Pest Management Plans. The focus over the next three years will be to

establish weed control programmes at three new sites (total of 26 for 2009/10 and growing to 35 over ten years) and targeting specific threats such as Darwin's Barberry, Old Man's Beard, Climbing Asparagus, and other weeds

- undertaking renewal work on the following walking tracks: Te Kopahau, Berhampore golf course to Quebec Street, and the Northern Ridgeline track above Khandallah Park.
- working with the Greater Wellington Regional Council on the Regional Open Spaces Strategy.

In the coming year, we will be looking at how we can better support volunteer groups to carry out their work in the city, and give greater focus to these groups working towards implementing the biodiversity action plan, including stream care.

As part of an overall approach to contain rates increases we are deferring our programme to upgrade and extend the track network on Town Belt and reserve land for the time being. Our exception to this is strategic cycle and walk ways (see activity 7.2). We currently have 365km of walkways and tracks extending throughout the city's open space areas.

We'll continue to ensure existing tracks are maintained to high standards and work towards promoting greater use of them in the coming years.

How we'll measure performance

We'll know when we are succeeding when residents are satisfied with the quality and maintenance of green open spaces; and when 4.5 hectares of restorative planting is undertaken each year on Wellington's town belts. A full list of our performance measures for this activity is detailed in the table on the next page:

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|--|---|---|--|---|
| BETTER CONNECTED MORE ACTIVELY ENGAGED HEALTHIER | <ul style="list-style-type: none"> • Kilometres of managed tracks and walkways • Hours worked by recognised environmental volunteer groups • Bird counts (in selected city areas) | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We clean city and residential streets, and maintain roadside verges keeping them safe and attractive, through litter collection, planting and mowing.</p> <p>We manage green open spaces throughout the city, including Town Belt, Green Outer Belt, other reserve land and an extensive network of tracks and walkways with an aim to make these areas attractive and accessible while balancing ecological needs.</p> <p>We also provide grants for projects and initiatives that benefit the city's environment, and support volunteers who help look after the city's green open spaces.</p> | Resident satisfaction (%) with the quality and maintenance of green open spaces: | | | | | |
| | • Roadside vegetation | 78% | 80% | 80% | 80% | At least 80% |
| | • Street cleaning | 80% | 80% | 80% | 80% | At least 80% |
| | • Town belts | 83% | 83% | 83% | 83% | At least 83% |
| | • Walkways | 87% | 87% | 87% | 87% | At least 87% |
| | Street cleaning (%) compliance with quality performance standards (i.e. the streets are free of litter) | 97% of sites comply | 97% of sites comply | 97% of sites comply | 97% of sites comply | 97% of sites comply |
| | Town belts – total area of town belts restorative planting (hectares) | 4.3 hectares | 4.5 hectares | 4.5 hectares | 4.5 hectares | 4.5 hectares |
| | Key native eco-systems with operational 'pest management plan' | 23 | 26 | 29 | 32 | 35 |
| | Walkways – primary walkways and tracks (%) compliant with national standards (i.e. assessing integrity of structures, track maintenance, etc) | New measure | 100% | 100% | 100% | 100% |
| | Reported hazards (%) that are made safe (or secured) within 24 hours | New measure | 100% | 100% | 100% | 100% |
| | Resident (%) rating their ease (easy or very easy) to access green open spaces | New measure | 90% | 90% | 90% | 90% |
| | Resident frequency of usage (%) of green open spaces: | | | | | |
| | • Town belts | Weekly 13% At least once in last 12 months 53% | Weekly 13% At least once in last 12 months 53% | Weekly 13% At least once in last 12 months 53% | Weekly 13% At least once in last 12 months 53% | Weekly 13% At least once in last 12 months 53% |
| | • Walkways | Weekly 20% At least once in last 12 months 67% | Weekly 25% At least once in last 12 months 70% | Weekly 25% At least once in last 12 months 70% | Weekly 25% At least once in last 12 months 70% | Weekly 25% At least once in last 12 months 70% |
| Community groups that participate in WCC supported planting activities and the number of plantings | 20,000 volunteer hours / 27,000 plantings | 20,000 volunteer hours / 27,000 plantings | 22,000 volunteer hours / 28,000 plantings | 24,000 volunteer hours / 29,000 plantings | By 2019: 40,000 volunteer hours / 36,000 plantings | |
| Environmental grants – number of applicants; number of successful applicants; total budget allocated to grants | Total applicants 33 / Successful applicants 9 | No target – monitoring capacity only We aim to support initiatives that contribute to the environmental well-being of Wellington city and its people in accordance with eligibility criteria. | | | | |
| Residents (%) who agree that green open spaces services provide good value for money. | New measure | 90% | 90% | 90% | 90% | |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.2.1 Roads open spaces | - | 10% | 90% | 90% | - | - | - |
| 2.2.2 Town belts | - | 5% | 95% | 95% | - | - | - |
| 2.2.3 Community environmental initiatives | - | - | 100% | - | 100% | - | - |
| 2.2.4 Walkways | - | - | 100% | 100% | - | - | - |
| 2.2.5 Stream protection | - | - | 100% | 100% | - | - | - |
| 2.2.6 Pest plant and animal management | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.2 Green Open Spaces (Town Belts) | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.2.1 Roads open spaces | (577) | 8,106 | 7,529 | - |
| 2.2.2 Town belts | (221) | 4,365 | 4,144 | 276 |
| 2.2.3 Community environmental initiatives | - | 422 | 422 | - |
| 2.2.4 Walkways | - | 422 | 422 | 327 |
| 2.2.5 Stream protection | - | - | - | - |
| 2.2.6 Pest plant and animal management | - | 971 | 971 | - |
| 2009/10 2.2 Total | (798) | 14,286 | 13,488 | 603 |
| 2010/11 2.2 Total | (822) | 14,993 | 14,171 | 658 |
| 2011/12 2.2 Total | (847) | 15,315 | 14,468 | 672 |
| 2008/09 2.2 Total | (782) | 14,216 | 13,434 | 1,229 |

Note that our stream protection is done with the support of volunteers and community groups. Funding is drawn from 2.2.3 community environmental initiatives.

How we manage our assets that support this activity

The Town Belt, Outer Green Belt and park and reserve areas are managed under our Parks and Gardens Open Space Areas Asset Management Plan, and the city's roadside reserve is managed in line with our Transportation, Traffic and Rooding Asset Management Plan.

The asset management plans set down asset performance, asset condition and asset service level requirements. Decisions about maintenance, renewal and upgrade programmes are informed through regular 'asset condition assessments', demand forecasting, and agreements made with the community on levels of service through annual and long-term planning processes and other community engagement exercises. We also respond to complaints.

We ensure our assets are managed to comply with legislative requirements at all times, and maintenance, renewal and upgrade programmes are set to maintain assets in appropriate condition relative to the agreed level of service and expected demand.

The town belt, park and reserve areas include a number of heritage sites, including Maori heritage sites such as Rangitatau Reserve. There are also five heritage buildings: the Shorland Park band rotunda, Chest Hospital, Nurses Hostel, 1911 Water Works Building on Wadestown Rd, and the Makara Village schoolboys' lunch shed. These heritage assets are protected under our District Plan. Some are registered with the Historic Places Trust. We aim to conserve all heritage features. Any alteration that affects a heritage feature would require resource consent.

2.3 WATER

What's included here

Water is a fundamental need and we ensure a steady supply of clean, safe, drinkable water is available to Wellingtonians at all times. We own the city's water network and contract Capacity (a company we jointly own with Hutt City Council) to manage, maintain and operate the network. We purchase water in bulk from the Greater Wellington Regional Council and supply it to Wellington properties.

Why it's important

A city cannot function without a safe, reliable water supply – it is a fundamental need. Water is critical for the health, well-being and prosperity of Wellington residents.

Contribution to community outcomes

This activity contributes to the following community outcome: 'Wellington's long-term environmental health will be protected by well-planned and well-maintained infrastructure'.

What we'll provide – our levels of service

We buy about 30 billion litres of water each year from the Greater Wellington Regional Council to supply the city's residents and businesses. In Wellington the network that delivers this water includes 81 reservoirs, 34 water pumping stations, more than 7300 hydrants and about 1000km of underground pipes.

The network is operated and maintained under contract by Capacity who are tasked with ensuring Wellingtonians have high-quality water available at all times for drinking and other household and business uses. This means it is responsible for all new connections to the network and for ensuring all statutory requirements and environmental standards are met. The work includes:

- detecting and fixing leaks, installing water meters, undertaking meter reading for billing purposes, and promoting water conservation
- undertaking forward planning to ensure anticipated future demand can be met, particularly taking into account predicted climate change impacts
- managing and maintaining all parts of the network so water is constantly available on demand and is delivered at an appropriate pressure (in part to meet fire fighting requirements)
- monitoring water quality to ensure it meets national standards and is not contaminated or presenting a health risk
- responding promptly to, and fix, all faults and leaks
- promoting and, where necessary, implementing water conservation measures (including applying water restrictions during summer).

Key projects over the next three years include:

- working with all Councils in the region including Greater Wellington Regional Council on a strategy for how we can best provide for the regions water needs in the

future. The region-wide Wellington water management plan will suggest targets for water conservation and will address the issue of reducing consumer demand for water versus investing at this time in expensive and, from an environmental perspective, potentially invasive new storage capacity. We will work with the Wellington community to identify water conservation opportunities, while also looking at ways we can reduce our own water usage. The plan will be developed over the next two years

- enhancing our 'leak detection programme' to reduce the amount of water that leaks from the network through the installation of district water meters that will help to identify the potential sources of water loss
- upgrading reservoir capacity within the water network in Karori and Seatoun Heights. The Messines Road reservoir upgrade is currently in its design phase with construction planned for 2009/2010. The Seatoun Heights reservoir upgrade is the subject of investigation with design work expected to start towards the end of 2009
- undertaking renewals to the reticulation network on Tawa's water main and adding a bypass to the Tawa reservoir.

How we'll measure performance

We'll know when we are succeeding when our water complies with the NZ Water Drinking Standard 100% of the time; and when 90% of residents agree that water services provide good value for money. Our performance measures for this activity are detailed in the table on the next page.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|--|--|---|-------------------------|-------------------------|-------------------------|-------------------------|
| MORE SUSTAINABLE SAFER | | • Water consumption (commercial and residential combined) | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We provide a safe reliable drinkable water supply for the city, while seeking more sustainable approaches towards water use. | Water compliance (%) with Drinking Water Standards for NZ (2005) | 100% compliance | 100% compliance | 100% compliance | 100% compliance | 100% compliance |
| | Water distribution network – quality grading (Ministry of Health)* | Graded "a" to "b" | Graded "a" to "b" | Graded "a" to "b" | Graded "a" to "b" | Graded "a" to "b" |
| | Customer network complaints regarding water quality (taste and odour) | 82 complaints | Less than 80 complaints | Less than 80 complaints | Less than 80 complaints | Less than 80 complaints |
| | Customer satisfaction (%) with water network service (calling cards) | New measure | 85% | 85% | 85% | 95% |
| | Properties (%) with appropriate water pressure (a minimum of 250kPa) | 98% | 98% | 98% | 98% | 98% |
| | Fire hydrants (%) tested that meet NZFS Code of Practice fire fighting water supply requirements | 95% | 95% | 95% | 95% | 95% |
| | Response time to service requests (%) – to respond to all requests for service within 1 hour of notification** | 97% | 97% | 97% | 97% | 97% |
| | Unaccounted for water (%) from the network | 21% | 20% | 19.5% | 18% | 15% |
| | Residential water consumption*** | 350 litres/person/day | 345 litres/person/day | 345 litres/person/day | 340 litres/person/day | 300 litres/person/day |
| | Residents (%) who agree that water services provide good value for money. | New measure | 90% | 90% | 90% | 90% |

* Distribution network grading: a1 = completely satisfactory, negligible level of risk, demonstrably high quality; a = completely satisfactory, extremely low level of risk; b = satisfactory, very low level of risk; c = marginally satisfactory, moderate low risk; d = unsatisfactory level of risk; e = unacceptable level of risk; u = not yet graded.

** Response includes initial investigation and prioritisation of work

*** Residential water consumption is based on total bulk water supplied less the metered commercial consumption divided by resident population.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--------------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.3.1 Water network | - | - | 100% | - | 60% | 40% | - |
| 2.3.2 Water collection and treatment | - | - | 100% | - | 60% | 40% | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.3 Water | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--------------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.3.1 Water network | (31) | 20,591 | 20,560 | 10,762 |
| 2.3.2 Water collection and treatment | - | 12,858 | 12,858 | - |
| 2009/10 2.3 Total | (31) | 33,449 | 33,418 | 10,762 |
| 2010/11 2.3 Total | (31) | 34,205 | 34,174 | 11,121 |
| 2011/12 2.3 Total | (33) | 35,559 | 35,526 | 10,156 |
| 2008/09 2.3 Total | (30) | 29,698 | 29,668 | 11,610 |

How we manage our assets that support this activity

The water network is managed in accordance with our Water Asset Management Plan, which ensures detailed service level requirements such as network condition and capacity, water quality standards, continuity of supply, response to complaints, and criteria for maintenance, renewals and upgrades are met. Under the plan, we detail how we will comply with all relevant legislation and regulatory requirements at all times. Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. We also respond to information from contractors and customers, as well as resident surveys and enquiries.

Our work programme over the next three years is based on past workloads and set at a level to maintain existing levels of service taking into account projected population growth and other demand factors. The region-wide Wellington water management plan is due to be completed in the next two years and the results of this work will inform demand management and asset based solutions to meet Wellington's and the region's growing need for potable water.

2.4 WASTEWATER AND STORMWATER

What's included here

Our key aim for this area is safety and sustainability. Wastewater and stormwater need to be disposed of in ways that protect public health and don't compromise the environment.

We own the city's stormwater, and sewage collection and disposal networks and contract Capacity (a company we jointly own with Hutt City Council) to manage, maintain and operate the networks. We own Karori and Moa Point treatment plants, and co-own the Porirua treatment plant with Porirua City Council. The Karori and Moa Point plants are managed under contract by United Water.

Why it's important

Management and maintenance of these networks and the treatment of sewage before disposal are essential for public health and wellbeing, for protection of property from flooding and for protecting the environment. Without these services, Wellington could not operate as a modern, efficient city.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington's long-term environmental health will be protected by well-planned and well-maintained infrastructure' and 'Wellingtonians will protect and have access to the coast'.

What we'll provide – our levels of service

Our work programme over the next three years is based on past demands and set at a level to maintain existing levels of service taking into account projected population growth and other demand factors. We will:

- manage and maintain the more than 649km of pipes and tunnels that make up the city's stormwater network, which each year carries about 80 million cubic metres of run-off from kerbs, channels and household drains to local streams and to the harbour
- maintain the more than 970 kilometres of sewer pipes and tunnels, and more than 60 pumping stations that make up the city's wastewater network, which each year carries about 29 million cubic metres of sewage effluent to the Council's treatment plants at Moa Point and Karori and to Porirua City Council's treatment plant (in which the Council has a minority ownership stake) where it is treated before being disposed of.

We will ensure that both networks are managed effectively and comply with all statutory requirements so that public health and safety risks are minimised. The work includes:

- upgrading sewer pipes that are too small, flushing drains, finding and fixing leaks, and carrying out works to ensure sewage doesn't contaminate groundwater, fresh or marine waters
- monitoring and regulating trade wastes (such as oil, grease, chemicals, and septic tank contents) to ensure that harmful substances don't enter the wastewater network,

block sewers, damage treatment plants, pollute waterways, and put workers at risk

- working with private property owners to find and remove cross-connections between the wastewater and stormwater networks
- ensuring that sewage is treated and disposed of in compliance with environmental standards set down in Greater Wellington Regional Council resource consents, which govern the discharge of treated effluent to sea and the landfilling/composting of biosolids.

Over the **next three years** we will:

- commence an extensive monitoring programme that will allow the impact of stormwater on the aquatic ecologies of Wellington Harbour and the Taputeranga Marine Reserve to be better understood. With increased knowledge of the effects, relevant and effective stormwater management programmes can be developed
- upgrade the Moa Point inlet pump station in 2009/2010 to better manage the flows of wastewater into the plant and reduce the opportunity for surges to create unwanted overflows. The introduction of a pilot ultraviolet treatment facility into the bypass operation will reduce the impact of wastewater on the environment when use of the bypass facilities is necessary
- upgrade the stormwater network by introducing grit traps within the CBD stormwater culverts in order to minimise the effect of stormwater on the environment.

How we'll measure performance

We'll know we're succeeding when flooding events are confined to 1: 50 year storms and when any interruptions to the networks are responded to within an hour of notification. Our full range of performance measures for this activity are detailed in the table below.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|---|---|---------------------------|---------------------------|---------------------------|---------------------------|
| SAFER | | <ul style="list-style-type: none"> • Freshwater biological health (macro invertebrates) • Freshwater quality • Resident actions to reduce stormwater pollution | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We manage the stormwater and wastewater network with an aim to protect public health and property without compromising the environment. | Bathing beaches (%) – compliance with Ministry of Environment guidelines (green status) | 93% of sampling occasions | 93% of sampling occasions | 93% of sampling occasions | 93% of sampling occasions | 93% of sampling occasions |
| | Freshwater – sites (%) within acceptable faecal coliform counts | 89% of sites | 90% of sites | 90% of sites | 90% of sites | 90% of sites |
| | Customer satisfaction (%) with wastewater and stormwater network service (calling cards) | New measure | 85% | 85% | 85% | 95% |
| | Response time to service requests (%) – to respond to all requests for service within one hour of notification* | 100% | 97% | 97% | 97% | 97% |
| | Properties flooded (buildings) as a result of a one in 50 year rain event (reported only) | 5 properties** | No properties are flooded | No properties are flooded | No properties are flooded | No properties are flooded |
| | Stormwater network – resource consent compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |
| | Sewage network – resource consent compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |
| | Residents (%) who agree that wastewater and stormwater services provide good value for money. | New measure | 90% | 90% | 90% | 90% |

* Response includes initial investigation and prioritisation of work

** Note: a total of 5 properties were flooded during the year despite the 50 year threshold not being reached

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.4.1 Stormwater management | - | - | 100% | - | 77.5% | 22.5% | - |
| 2.4.2 Sewage collection and disposal network | 5% | - | 95% | - | 60% | 35% | - |
| 2.4.3 Sewage treatment | 5% | - | 95% | - | 60% | 35% | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.4 Wastewater and stormwater | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.4.1 Stormwater management | (8) | 14,008 | 14,000 | 4,989 |
| 2.4.2 Sewage collection and disposal network | (668) | 15,249 | 14,581 | 7,874 |
| 2.4.3 Sewage treatment | (730) | 19,365 | 18,635 | - |
| 2009/10 2.4 Total | (1,406) | 48,622 | 47,216 | 12,863 |
| 2010/11 2.4 Total | (1,449) | 49,843 | 48,394 | 12,120 |
| 2011/12 2.4 Total | (1,492) | 51,713 | 50,221 | 12,207 |
| 2008/09 2.4 Total | (1,394) | 48,225 | 46,831 | 12,219 |

How we manage our assets that support this activity

The stormwater network is managed in accordance with our Stormwater Asset Management Plan, and wastewater assets are managed under the Wastewater Asset Management Plan. The plans set service level requirements such as network condition and capacity, response to faults/complaints, and criteria for upgrades and renewals are met. Under the plans, we detail how we will comply with all relevant legislation and regulatory requirements at all times.

Stormwater

Our overall goal is to manage the network prudently; minimise flood and public health risks; minimise the risk to marine environments from runoff, and deal effectively with

any stormwater quality issues associated with heavy metals, pathogens or sediment.

We have an ongoing programme of work to deal with parts of the network that we already know lack sufficient capacity, and major network upgrades in the central city and Island Bay in recent years have been a response to this. Assets that are critical to the network are monitored on a regular basis and, under a prioritised inspection programme, we physically inspect about 12kms of pipe every year. We also receive and respond to public complaints and feedback from resident surveys. The results of this monitoring and inspection together with the public feedback are factored into decisions about the level of maintenance required and the need for renewals and upgrades so that the programme of work remains properly focussed.

With an increasing population comes more dwellings and the use of concrete and other sealed surfaces around homes, this increases the amount of stormwater runoff expected in the foreseeable future. We are also assessing the possible effects of climate change on the network, in terms of the predicted increase in the incidence of intense periods of rainfall in winter months. These factors too may result in a shift in future work programme priorities.

Wastewater

Our goal is to safeguard public health; to ensure that the network has sufficient capacity; and is reliable.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Renewals of pipes are undertaken when the structural integrity of the pipe is compromised and the performance is inadequate. About 18km of pipe is inspected a year. We also monitor pipe flow continuously, and we respond to public complaints and to information from contractors, and we receive feedback from resident surveys.

In some areas of the city, the network does not have sufficient capacity to deal with peak flows. We have an ongoing programme of upgrades to deal with this. The asset management plan sets out our approach to determining the need for upgrades for different areas of the network.

Wellington's population is growing, and a trend towards smaller housing units is meaning more connections to the sewage network. However, the Moa Point and Western sewage treatment plants have capacity to deal with the expected increase in sewage flow in dry weather over the next decade.

We are experiencing issues with wet weather flows which has prompted investigation into how the city can decrease the amount of stormwater that enters the wastewater network. Options will be considered and implementation will be investigated over the next few years.

2.5 WASTE REDUCTION AND ENERGY CONSERVATION

What's included here

We want Wellington to be a sustainable city, which means meeting today's needs in ways that don't cause future harm.

Our work in this area includes collecting and disposing of the city's waste in the city's landfills and providing a partial recycling collection service to households and businesses. We monitor closed landfill sites, encourage greater energy efficiency, conservation and use of renewable energy sources in the city, and work to reduce carbon emissions.

Why it's important

We want Wellington to be a sustainable city. A sustainable city uses resources efficiently, and finds ways to reuse or recycle resources instead of adding to the amount of waste sent to landfills. It is also about reducing the amount of energy used in our operations to minimise the impact on the environment, and about promoting more sustainable behaviour on the part of the city's residents.

We operate landfills and a waste collection service to ensure that residents dispose of waste safely and in ways that do not harm human health. Landfills (including closed landfills) come with environmental impacts of their own that need to be carefully managed. These impacts come in the form of harmful by-products such as greenhouse gas emissions, specifically methane, and leachate, a liquid run-off formed during waste decomposition that often contains hazardous chemicals, and heavy metals that can pollute local waterways. From an asset management as well as an environmental sustainability perspective, it is therefore in our and the community's interest to minimise the amount of waste the city produces.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington will promote the sustainable management of the environment, and support increased opportunities for the exercise of kaitiakitanga or environmental guardianship', 'Wellington will move towards a zero-waste policy', 'Wellington's long-term environmental health will be protected by well-planned and well-maintained infrastructure' and 'Wellingtonians' use of non-renewable energy resources will decrease'.

What we'll provide – our levels of service

Our work programme over the next three years is based on past demands and set at a level to maintain existing levels of service taking into account projected population growth and other demand factors. We will:

- provide a service for the collection of the approximately 11,000 tonnes of non-recycled rubbish produced by Wellington residents each year – this service will be weekly for the vast majority of households but daily within the CBD – and for its transportation for disposal either to the wholly owned Southern Landfill or to the Spicer Landfill, which is operated by Porirua City Council but in which the Wellington City Council has a minority ownership stake
- provide a similar service to households for the collection and disposal of paper, glass, plastic and aluminium that is sorted by residents for recycling
- provide a similar service to restaurants, hotels, catering establishments and other food related businesses for the collection of food scraps to make compost under the "Kai to Compost" programme

- operate the Southern Landfill, including the transfer station where domestic waste is dumped and recyclables separated and the Second Treasure Shop where items such as furniture, metals, bikes, books and appliances can be dropped off
- manage the Southern Landfill by undertaking proper landscaping, erosion control, resource consent compliance, water quality monitoring and handling of hazardous waste such as paints, batteries, gas bottles, garden chemicals, oils and solvents that might otherwise contaminate leachate and sludge
- monitor and manage the 30 closed landfills (most have been converted to reserves and parks) that are located around the city to ensure they aren't discharging hazardous gases such as methane and carbon monoxide or leachate into the environment
- provide residents with information about waste reduction, carry out research about the impact of waste on the city, make plans to reduce waste, and enforce waste bylaws which can include fines for disposing of waste in inappropriate ways
- license the operation of the landfill gas capture plant by a third party for the generation of electricity
- encourage efficient energy use by delivering on our energy management programme for internal operations, advocate for initiatives that aim to reduce energy use in the Wellington community, and advocate for initiatives by third parties that aim to increase the amount of energy generated locally from renewable sources such as solar, wind and tidal energy.

Over the **next three years:**

- We will carry out detailed planning work, obtain the necessary consents and develop stage four of the Southern Landfill, which will require making appropriate preparations of the area to be used including creating new roads and installing water diversion controls so water runoff is not affected by the operations of the landfill.
- We will undertake a series of energy audits in Council buildings and facilities, timed to coincide with the identification of work to be included in our planned upgrade programme.
- We will install improved heating insulation as part of the upgrade of the Council's social housing stock.
- We will enter into a partnership with the Energy Efficiency and Conservation Authority and service providers to stimulate uptake of healthy homes retrofits. The Government has budgeted \$323 million over the next four years to subsidise healthy homes retrofits for approximately 180,000 homes. The programme is available to all owners of pre-2000 houses, regardless of income level. Healthy homes retrofits involve improving the warmth, comfort and energy efficiency of Wellington's older homes by installing insulation and in some cases, energy efficient heating. These retrofits improve the health of occupants and reduce household energy consumption as well.

Our contribution will be \$35,000 per year for the next three years to raise awareness in the community of the opportunities that exists for households to access government subsidies to retrofit their homes. We will also support the Greater Wellington Regional Council to implement a voluntary targeted rate as a payment option for households wanting to participate in the healthy homes retrofit programme.

In the coming year we will continue to work with the Energy Efficiency and Conservation Authority to identify the most effective way to deliver retrofits to the Wellington homes.

- We will implement an organisational sustainability plan that addresses and attempts to minimise the organisation's waste production and its water, energy and transport use, and that incorporates a procurement policy that delivers more sustainable outcomes from the Council's many suppliers.
- We will focus on reducing our own carbon emissions. We have previously talked about achieving carbon neutrality for our own *corporate emissions* but there are a range of practical issues associated with the achievement of carbon neutrality. These include lack of defined international standards and significant costs to Council. These costs arise from the requirement to purchase carbon credits which do not provide a financial return (whereas investing in energy efficiency projects would result in both environmental and financial benefits).

Given the issues, we believe it is appropriate to place the emphasis on reducing emissions and focusing on existing emissions reduction targets.

| YEAR | CORPORATE TARGET: WELLINGTON CITY COUNCIL EMISSIONS | COMMUNITY TARGET: CITY EMISSIONS |
|------|---|-------------------------------------|
| 2010 | Stabilise (best efforts) | Stabilise (best efforts) |
| 2020 | 40% reduction | 30% reduction |
| 2050 | 80% reduction | 80% reduction |

After reviewing our kerbside recycling operations and considering community feedback on the status quo and other options, we have decided to continue with current recycling operations. We also plan to undertake an intensive public education campaign to encourage residents to sort and bag their recycling in the existing green bins. These steps should reduce the amount of litter that can be blown out of bins and the associated stormwater blockages. We also plan to encourage local industries to invest in the processing of glass, plastic and paper.

In the long-term, we still need to think about how we might fund recycling in the future. Kerbside recycling is not currently paid for through rates – it is funded from a levy at the landfill. This means that over time, as recycling increases and the amount of waste decreases, there will be less money to cover the cost of recycling.

How we'll measure performance

We'll know when we are succeeding when high numbers of residents are satisfied with waste and recycling collection services and agree that waste management services provide good value for money. Our performance measures for this activity are listed in the following table.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|--|---|---|---|--------------------|--|
| MORE SUSTAINABLE | | <ul style="list-style-type: none"> • Total waste to landfill per capita • Resident actions to reduce waste • Energy-use per capita • Energy supply interruptions | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 | |
| <p>We provide recycling and waste collections across the city.</p> <p>We operate the Southern Landfill, with aims of minimising the amount of waste disposed of and ensuring waste is disposed of safely.</p> <p>We are working to encourage energy efficiency in the city and also by looking for ways to reduce our own energy use.</p> | Resident (%) satisfaction with waste management services – specifically: | | | | | | |
| | • Recycling collection | 86% | 85% | 85% | 85% | 85% | |
| | • Waste collection | New measure | 85% | 85% | 85% | 85% | |
| | City and WCC corporate green house gas emissions | City 1,178,794 tonnes (2001) Corporate 22,959 tonnes* (2003) | City: stabilise city green house gas emissions at 2001 levels by 2010 and reducing them by 30% by 2020 Corporate: stabilise corporate emissions at 2003 levels by 2009/10 and reducing them by 40% by 2020 | | | | |
| | Resident (%) weekly usage of waste collection services: | | | | | | |
| | • Recycling collection | 86% | 85% | 85% | 85% | 85% | |
| | • Waste collection | 50% | 50% | 50% | 50% | 50% | |
| | Kerbside recycling collected (tonnes) | 11,989 tonnes | 12,500 tonnes | 12,500 tonnes | 12,500 tonnes | 12,500 tonnes | |
| | Kerbside waste collected (tonnes) | 11,900 tonnes | 12,000 tonnes | 12,000 tonnes | 12,000 tonnes | 12,000 tonnes | |
| | Landfill – Resource consent compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance | |
| Total waste to the landfill and total recyclable material diverted from the landfill | Waste 88,000 tonnes / Recyclables 16,500 tonnes | Waste 84,000 tonnes / Recyclables 16,500 tonnes | Waste 84,000 tonnes / Recyclables 16,500 tonnes | Waste 84,000 tonnes / Recyclables 16,500 tonnes | Waste 84,000 tonnes / Recyclables 16,500 tonnes | | |
| Energy sourced from the Southern Landfill (GWh) | New measure | 8 GWh | 8 GWh | 8 GWh | 8 GWh | | |
| WCC corporate energy use (electricity and natural gas combined): | | | | | | | |
| • Civic complex | 7,990,400 kWh** | 7,543,300 kWh | 7,319,700 kWh | 7,096,200 kWh | Not available | | |
| • Pools and recreation facilities | 15,382,600 kWh** | 14,735,500 kWh | 15,858,500 kWh | 16,017,200 kWh | Not available | | |
| • Convention Centre | 3,900,800 kWh** | 4,110,900 kWh | 4,110,900 kWh | 4,110,900 kWh | Not available | | |
| Residents (%) who agree that waste management services provide good value for money. | New measure | 90% | 90% | 90% | 90% | | |

* Excludes emissions from Council Controlled Organisations and joint ventures, Northern Landfill, compost, small electricity accounts, water treatment and bulk water delivery, and taxi use.

** Baseline data provided is for 2007/08.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.5.1 Energy efficiency and conservation | - | - | 100% | 100% | - | - | - |
| 2.5.2 Waste minimisation, disposal and recycling management | 90% | - | 10% | 10% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.5 Waste Reduction and Energy Conservation | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.5.1 Energy efficiency and conservation | - | 167 | 167 | 131 |
| 2.5.2 Waste minimisation, disposal and recycling management | (9,238) | 9,490 | 252 | 381 |
| 2009/10 2.5 Total | (9,238) | 9,657 | 419 | 512 |
| 2010/11 2.5 Total | (9,516) | 9,944 | 428 | 615 |
| 2011/12 2.5 Total | (9,802) | 9,900 | 98 | 269 |
| 2008/09 2.5 Total | (8,218) | 9,340 | 1,122 | 883 |

How we manage our assets that support this activity

The Southern Landfill is managed in accordance with our Operational Landfills Asset Management Plan.

Landfill assets include buildings, stormwater and sewer drainage, leachate network, roading and other sealed surfaces, plants, and other structures such as fences and gates. The plan sets down performance, condition and service level requirements for these assets. We aim to comply with all relevant legislation and resource consents at all times, and

to maintain landfill assets in a condition suitable to meet service level requirements and customer/user expectations.

The Southern Landfill was opened in 1975. Its development was planned for in five stages, covering a total area of 350ha. The landfill is currently in stage three, and we will be preparing stage four over the next three years. The level of demand will depend on population growth, waste reduction trends, technology, changes in commercial activity, and the future of other landfills in the region as several are due for closure in the next decade.

2.6 ENVIRONMENTAL CONSERVATION ATTRACTIONS

What's included here

Nature is one of Wellington's biggest attractions. In Zealandia – the Karori Sanctuary, the proposed Marine Education Centre and the Wellington Zoo, the city has a range of facilities that play an important part in wildlife conservation, educating people about nature and attracting visitors to the city.

These are complemented by other attractions such as Otari / Witon's bush, other botanical gardens and the Taputeranga Marine Reserve.

Why it's important

These facilities play important conservation roles, protecting native and exotic flora and fauna. They inform and educate, attract visitors, and their existence creates economic incentives for the city's environment to be protected and enhanced.

Contribution to community outcomes

This activity contributes to the following community outcome: 'Wellington will protect and showcase its natural landforms and indigenous environments'.

What we'll provide – our levels of service

We will provide funding support to the Zoo and the Karori Sanctuary in their role of protecting and nurturing the city's native plant and bird life and making significant contributions to wildlife conservation.

The Sanctuary has a 500-year vision of restoring pristine native forest and bird life in a valley just minutes from the city and

telling the history of this land through interactive displays at the visitor centre.

We own the Zoo land (it is part of the Town Belt) and provide ongoing funding to allow it to maintain and enhance its visitor experience. The Zoo attracts more than 180,000 visitors each year, including many school groups. It has more than 400 animals living in family groups in habitats designed to be as similar as practicable to their natural environments. It also manages a breeding programme for endangered species.

Over the next three years:

- The interactive visitor centre will open at the Karori Sanctuary. We support the Sanctuary by providing land, contributed funding to support daily operations and governance costs, as well as a \$9.9 million loan for the development of the new interactive visitor facility. The Trust experienced delays in securing funding and soil instability at the site caused further set backs. We have since stepped in and have increased the level of contingency funding by \$480,000 for the visitor and education centre. It is expected that with the completion of the visitor centre, visitor numbers will grow and the Sanctuary's operations will become self funding. The visitor centre is expected to open in 2010.
- We will continue to redevelop the Wellington Zoo into an interactive, unique, dynamic, and accessible visitor experience. In 2007 we agreed a ten year capital upgrade programme to modernise facilities at the zoo and provide visitors with a place to connect with wildlife through interactive experiences. Upgrades planned to be completed for the coming three years include completing the animal hospital, upgrading the 'monkey island' and Sunbear

enclosure, making alterations to the lions den to allow greater interaction between male and female lions, and building a native precinct titled 'Meet the locals,' and several other smaller projects. All buildings and precincts constructed as part of the upgrade programme will be future proofed and built in line with sustainable building practises.

- We will work with the Wellington Marine Conservation Trust to determine whether it is feasible to establish a new marine centre at the former 'Maranui Depot' site in Lyall Bay. The site lies to the landward side of Queens Drive, towards the western point of Lyall Bay, and is owned by the Council. The Trust has undertaken some initial scoping and concept work which indicates that this site might be suitable for the centre to be built there. The Trust aims to develop a world-class attraction that educates residents and visitors about Wellington's unique marine life. We have committed to support the Trust by providing up to a maximum of \$450,000 – being 50 percent of the estimated cost for the feasibility study. The Trust will pay the remaining 50 percent. The study will provide detailed information regarding the exact costs and operations of the project, which will help the Council decide its future level of involvement, if there is any, beyond the feasibility phase.

How we'll measure our level of service and performance

We'll know we are succeeding when annual visitor numbers for the Karori Sanctuary (68,500) and Wellington Zoo (182,000) are achieved. Our performance measures are detailed on the next page.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|--|---|---|--|---|---|
| MORE COMPETITIVE | | • Key Wellington natural environment visitor attractions (including Zoo and Karori Sanctuary) | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | PERFORMANCE TARGETS | | | |
| | | | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We support high quality environmental conservation attractions. | Karori Sanctuary – visitors | 68,500 | Targets for the Wellington Zoo and Karori Sanctuary are included in the Council controlled organisation section of this long-term plan. | | | |
| | Karori Sanctuary – education programme attendees | 5,750 | | | | |
| | Wellington Zoo – visitors | 182,500 | | | | |
| | Wellington Zoo – education programme attendees | 14,900 | | | | |
| | Karori Sanctuary – Visitor & Education Centre Project construction programme | New measure | Project completion | N/A | N/A | N/A |
| | Wellington Zoo capital programme | New measure | Animal Hospital completion | 'Meet the Locals' – Phase 1 Project completion | Monkey Islands refurbishment and new Sun Bear enclosure | 'Meet the Locals' – Phase 2 and new catering facilities completed |
| | Wellington Zoo – ratio of generated Trust income as a % of WCC grant | 69% | Targets for the Wellington Zoo and Karori Sanctuary are included in the Council controlled organisation section of this long-term plan. | | | |
| | Wellington Zoo – average WCC subsidy per visitor. | \$14.72 | | | | |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.6.1 Wellington Zoo | - | - | 100% | 100% | - | - | - |
| 2.6.2 Karori Sanctuary | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.6 Environmental Conservation Attractions | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.6.1 Zoo | - | 3,661 | 3,661 | 2,809 |
| 2.6.2 Karori Sanctuary | - | 1,781 | 1,781 | - |
| 2.6.3 Marine Education Centre | - | 450 | 450 | - |
| 2009/10 2.6 Total | - | 5,892 | 5,892 | 2,809 |
| 2010/11 2.6 Total | - | 5,283 | 5,283 | 1,707 |
| 2011/12 2.6 Total | - | 4,626 | 4,626 | 2,404 |
| 2008/09 2.6 Total | - | 4,699 | 4,699 | 2,272 |

How we manage our assets that support this activity

Though some of the land and assets involved in this activity are Council-owned, they are managed and maintained by outside organisations. Sanctuary land is managed by the Karori Wildlife Sanctuary Trust under a lease agreement.

Council-owned zoo assets are managed by the Wellington Zoo Trust under the Wellington Zoo Buildings and Infrastructure

Asset Management Plan. The plan covers 74 structures including animal enclosures, buildings, water tanks, roads and paths, signs and so on. The Zoo Trust manages these assets with the aim of complying with all relevant legislative requirements at all times. It aims to maintain building assets in good or fair condition. Regular condition assessments are carried out and decisions made on maintenance, renewals and upgrades as needed.

2.7 QUARRY

What's included here

Our aim is to manage this valuable resource well and minimise its environmental impact by restoring and developing the Ngauranga Gorge area. We own the Kiwi Point Quarry, located in Ngauranga Gorge, which every year provides hundreds of thousands of tonnes of aggregate to the local construction market for use on roading and other infrastructure projects. Quarry operations – rock extraction, crushing and processing – are contracted out.

Why it's important

Growing cities need a reliable source of reasonably priced aggregate to meet their infrastructure needs. In this context, we consider the Quarry to be a strategically important asset.

Ownership serves two useful purposes. It secures our direct access to a constant supply of product and it enables us to retain a degree of influence over the price of that product in the local market. It also means that on completion we can control the most appropriate use of the site.

Contribution to community outcomes

Our work in this activity contributes towards the following community outcome: 'Wellington's long term environmental health will be protected by well planned and well maintained infrastructure'.

What we'll provide – our levels of service

Our work programme over the next three years is based on past workloads and set at a level sufficient to continue to meet the demands of the market and the city's infrastructure needs. The vast majority of aggregate produced by the Kiwi Point Quarry (90–95%) is used to build and maintain the city's drainage and roading networks. In our management of this resource, we aim to minimise environmental impacts while contributing to the city's development needs. The quarry is managed in line with environmental legislation and standards including resource consents and the District Plan.

Kiwi Point Quarry operates in a competitive environment. Efficient management means Kiwi Point is able to generate revenue in excess of the operating expenditure while maintaining competitive pricing.

How we'll measure performance

We measure our performance in this activity by monitoring the quarry's compliance with its resource consent, and district plan and quarry license requirements.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|--|--|---|--|--------------------|--------------------|--------------------|
| MORE SUSTAINABLE | <ul style="list-style-type: none"> • Ecological footprint • Air quality (particulate matter) | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | PERFORMANCE TARGETS | | | |
| | | | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We provide a high quality quarry service and aim to minimise the environmental impacts while contributing to the city's development needs. | Aggregate (tonnes) produced from the Quarry | 292,258 tonnes | No target – aggregate produced is driven by market demand therefore we use this information for monitoring purposes only | | | |
| | Resource consent compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |
| | District Plan requirement compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |
| | Quarry license compliance | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|-------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 2.7.1 Quarry operations | 125% | - | - | - | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 2.7 Quarry | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|-------------------------|---------------------------------|------------------------|----------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 2.7.1 Quarry operations | (398) | 285 | (113) | - |
| 2009/10 2.7 Total | (398) | 285 | (113) | - |
| 2010/11 2.7 Total | (410) | 292 | (118) | - |
| 2011/12 2.7 Total | (422) | 290 | (132) | - |
| 2008/09 2.7 Total | (497) | 195 | (302) | - |

How we manage our assets that support this activity

The quarry is managed in accordance with our Kiwi Point Quarry Asset Management Plan. The quarry site is 27ha. Assets include 5km of sealed roads, 3km of unsealed roads, a weighbridge, three buildings, crushers, and various other plant/equipment. The quarry is operated by contractors, which has the advantage of the Council not having to invest in earthmoving equipment.

We comply with all legislation and regulatory requirements, including resource consents, at all times. Quarry assets are maintained in a condition that allows the quarry to meet customer and stakeholder expectations.

At the current rate of extraction, the quarry has capacity to keep operating until 2050.

10-year Financial Projections – Environment

Operational Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 12,357 | 2.1 | Gardens and beaches | 13,195 | 13,940 | 14,265 | 14,691 | 15,212 | 15,657 | 15,935 | 16,312 | 16,735 | 16,991 |
| 14,216 | 2.2 | Green open spaces (Town belts) | 14,286 | 14,993 | 15,315 | 15,850 | 16,235 | 16,701 | 17,091 | 17,511 | 18,175 | 18,883 |
| 29,698 | 2.3 | Water | 33,449 | 34,205 | 35,559 | 36,643 | 37,717 | 39,946 | 41,123 | 42,309 | 44,902 | 46,485 |
| 48,225 | 2.4 | Wastewater and stormwater | 48,622 | 49,843 | 51,713 | 52,452 | 52,955 | 55,319 | 55,986 | 56,590 | 59,180 | 60,260 |
| 9,340 | 2.5 | Waste reduction and energy conservation | 9,657 | 9,944 | 9,900 | 10,338 | 10,718 | 10,877 | 11,331 | 12,366 | 13,450 | 14,165 |
| 4,421 | 2.6 | Environmental conservation attractions | 5,892 | 5,283 | 4,699 | 4,775 | 4,860 | 4,938 | 4,990 | 5,062 | 5,136 | 5,210 |
| 195 | 2.7 | Quarry | 285 | 292 | 290 | 303 | 313 | 319 | 335 | 325 | 332 | 344 |
| 118,452 | | Total Operating Expenditure | 125,386 | 128,500 | 131,741 | 135,052 | 138,010 | 143,757 | 146,791 | 150,475 | 157,910 | 162,338 |
| 3,533 | | Less: Non-funded Depreciation | 2,965 | 2,955 | 3,192 | 3,188 | 3,188 | 3,459 | 3,459 | 3,459 | 3,696 | 3,664 |
| 114,919 | | Total Operating Expenditure to be funded | 122,421 | 125,545 | 128,549 | 131,864 | 134,822 | 140,298 | 143,332 | 147,016 | 154,214 | 158,674 |
| | | Operating expenditure funded by: | | | | | | | | | | |
| 10,745 | | Direct activity income | 11,731 | 12,196 | 12,563 | 13,149 | 13,698 | 14,099 | 14,599 | 15,039 | 15,491 | 16,048 |
| 29,867 | | General Rates | 31,566 | 32,242 | 31,926 | 32,831 | 33,668 | 34,429 | 35,122 | 36,584 | 38,386 | 39,597 |
| 73,311 | | Targeted Rates | 78,092 | 80,045 | 82,966 | 84,757 | 86,295 | 90,575 | 92,379 | 94,125 | 99,030 | 101,683 |
| 546 | | Grants & Subsidies | 563 | 579 | 597 | 615 | 633 | 652 | 672 | 692 | 713 | 734 |
| 450 | | Other Income | 469 | 483 | 497 | 512 | 528 | 543 | 560 | 576 | 594 | 612 |
| 114,919 | | Total Funding for Operational Expenditure | 122,421 | 125,545 | 128,549 | 131,864 | 134,822 | 140,298 | 143,332 | 147,016 | 154,214 | 158,674 |

10-year Financial Projections – Environment

Capital Expenditure (\$000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|--|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2,187 | 2.1 | Gardens and beaches | 2,141 | 1,986 | 1,645 | 3,067 | 2,239 | 4,605 | 2,348 | 2,084 | 3,569 | 2,108 |
| 1,229 | 2.2 | Green open spaces (Town belts) | 603 | 658 | 672 | 904 | 923 | 1,442 | 964 | 988 | 1,939 | 1,039 |
| 11,610 | 2.3 | Water | 10,762 | 11,121 | 10,156 | 13,446 | 14,550 | 15,641 | 13,304 | 13,962 | 15,922 | 13,944 |
| 12,219 | 2.4 | Wastewater and stormwater | 12,863 | 12,120 | 12,207 | 12,429 | 16,242 | 16,925 | 13,853 | 14,796 | 16,126 | 19,075 |
| 883 | 2.5 | Waste reduction and energy conservation | 512 | 615 | 269 | 196 | 753 | 1,840 | 1,652 | 806 | 9,062 | 16,033 |
| 2,272 | 2.6 | Environmental conservation attractions | 2,809 | 1,707 | 2,404 | 1,734 | 988 | 1,702 | 1,358 | 243 | 249 | 254 |
| 30,400 | | Total Capital Expenditure | 29,690 | 28,207 | 27,353 | 31,776 | 35,695 | 42,155 | 33,479 | 32,879 | 46,867 | 52,453 |
| 5,000 | | Loans to other organisations | 3,380 | - | - | - | - | - | - | - | - | - |
| 35,400 | | Total Capital Expenditure and loans to be funded | 33,070 | 28,207 | 27,353 | 31,776 | 35,695 | 42,155 | 33,479 | 32,879 | 46,867 | 52,453 |
| Capital expenditure and loans funded by: | | | | | | | | | | | | |
| 26,486 | | Depreciation | 30,657 | 30,900 | 33,030 | 33,234 | 33,359 | 35,956 | 36,148 | 36,814 | 40,290 | 40,580 |
| 474 | | Bequests | 345 | - | - | - | - | - | - | - | - | - |
| 1,391 | | Development Contributions | 2,589 | 4,043 | 5,496 | 6,061 | 6,278 | 6,304 | 6,330 | 6,330 | 6,330 | 6,330 |
| - | | Loan repayments | - | 339 | 339 | 339 | 339 | 339 | 339 | 339 | 339 | 339 |
| 7,049 | | Borrowings and working capital* | (521) | (7,075) | (11,512) | (7,858) | (4,281) | (444) | (9,338) | (10,604) | (92) | 5,204 |
| 35,400 | | Total Funding for Capital Expenditure and Loans | 33,070 | 28,207 | 27,353 | 31,776 | 35,695 | 42,155 | 33,479 | 32,879 | 46,867 | 52,453 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

ECONOMIC DEVELOPMENT



Introduction

This provides a succinct outline of the key challenges we face, our long term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those

3.1 City promotions events and attractions

This activity covers our support of Positively Wellington Tourism, the Wellington Convention Centre, and our events development fund. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area. (See also the Council controlled organisations section.)

3.2 Business support

This activity covers our work to improve the city's connections to the world including broadband infrastructure. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | |
|---|---|
| OUR AIM ▶ | <i>Supporting growth to enhance quality of life</i> |
| WHAT WE DO TO SUPPORT OUR AIM | <ul style="list-style-type: none"> 3.1 City promotions events and attractions 3.2 Business support |
| CHALLENGES WE FACE | <ul style="list-style-type: none"> • The global economic slowdown is the largest immediate challenge facing the city. We must ensure that rates and other Council costs do not unduly stretch residents' budgets, but we must also continue to provide the important services and infrastructure that will support future development. |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none"> • Support high quality events and promote tourism and a vibrant retail sector. • Celebrates creativity and innovation in the business sector. • Improve the city's connection to the rest of the world. • Supports downtown Wellington as the centre of the region's retail and service economy. <p>We also take a regional approach to economic development through the Wellington Regional Strategy and Grow Wellington.</p> |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none"> • Maintaining Wellington's reputation as a vibrant, creative and eventful place – particularly maximising the economic return from our events development fund. • Working with others to sustain Wellington's service/creative industries and workforce. This includes maintaining our investment in tourism and advocating on behalf of our community to the government and business for investment in activities such as broadband. |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none"> • When visitor numbers and lengths of stay continue to increase; when the major events we support return more than 20:1 on the council's investment. • When direct flights to Asia can be accessed out of Wellington; when high-speed broadband is rolled out across the city; and when we see positive growth in jobs and businesses in the information technology and other creative industries. |



Supporting growth to enhance quality of life

Introduction

Wellington is:

- New Zealand's capital city and the home of the country's public sector
- the traditional home of New Zealand's finance industry
- a growing centre for creativity and innovation, based on sectors such as film and creative content
- an important centre for education, with two universities and several polytechnics
- New Zealand's events capital
- connected to international markets through the airport and port
- a city with a strong tourism sector based on high quality attractions like Te Papa and major events such as the World of WearableArts.

The city's economy is based on services, and on its well educated and highly skilled population. Growth in recent years has been steady, supporting low unemployment and standards of living that are among the highest in New Zealand.

The challenges we face

The global economic slowdown is the largest immediate challenge facing the city. In this environment, the Council has to strike a very careful balance. We must ensure that rates and other Council costs do not unduly stretch residents' budgets, but we must also continue to provide the important services and infrastructure that will support future development.

The construction and retail sectors are likely to face tough times as household budgets and access to borrowings tighten. Fluctuations in the NZ dollar will impact on export earnings but it also presents opportunities around tourism and entrepreneur investment from abroad.

We also need to ensure that the city is an easy place to do business – make sure our own processes are efficient and that we are aware of business needs so that people can access and retain jobs.

It will be important that as a city we focus on our strengths and ensure we retain the skills that will be required when the wider economy lifts.

The long-term approach

The Council will spend more than \$4 billion in the local economy over the next decade. Much of this will be on the essential services that are required to keep the city running. But our role goes beyond those essentials. We know that to be internationally competitive the city must offer a high quality of life. This means continuing to invest in Wellington's points of difference – our cultural capital status, high quality public spaces, easy access to the coast and open spaces, and major events that make it a place where talented people want to live and work.

In the mid-term we've committed to complete major upgrades of our housing stock and to a 12 court indoor community sports centre. While both have strategic value in their own right they have the added benefit of sustaining roles in the construction industry.

While this long-term plan in its entirety can be seen as our commitment to the local economy there are specific steps we're taking to grow the local economy. Not least is the Wellington Regional Strategy.

The Wellington Regional Strategy is a joint initiative involving nine local authorities and focuses on: providing leadership; achieving sustainable economic growth, in particular through exports; and enhancing Wellington's 'regional form' – the connections between cities, and between rural and urban areas.

Grow Wellington, which is funded through Greater Wellington Regional Council rates, has overall responsibility for promoting regional economic growth. Key initiatives include a plan for high speed broadband for the city, and a regional labour market strategy to ensure that Wellington businesses have the skills they need to prosper.

Our work complements the regional approach with a strategy that:

- supports high quality events
- celebrates creativity and innovation in the business sector
- aims to improve the city's connection to the rest of the world
- promotes tourism and a vibrant retail sector
- supports downtown Wellington as the centre of the region's retail and service economy.

Supporting policies

The Council's strategic approach to economic development is supported by its International Relations Policy, Events Policy and Centres Policy, which guides retail and other development. These are available from www.Wellington.govt.nz. Positively Wellington Tourism's statements of intent and the Wellington Regional Strategy also complement our aims.

Links to other strategies

The Council's core contributions to economic development are made through its Environment and Transport Strategies, which provide the essential infrastructure on which all economic activity depends. The Urban Development Strategy supports Wellington's status as 'events capital' by protecting the city's vibrant 'heart' around the Golden Mile and waterfront. All areas of Council activity aim to enhance quality of life and therefore to attract and retain the skilled people and innovative businesses on which a growing economy depends.

STATE OF THE CITY – KEY FACTS

| | |
|---|----------------|
| % growth in regional economic activity (year to March 2009): | 0.3% |
| Unemployment rate (regional, March 2009): | 5.5% |
| % of Wellingtonians in deciles 10 (most deprived): | 4.6% |
| % of Wellingtonians with a university degree: | 32.9% |
| Guest nights per annum in the city's tourist accommodation (year end April 2009): | 1.9 million |
| Estimated new spend in the city from Council supported events (2008): | \$61.1 million |

Negative effects

We do not anticipate any significant negative effects arising from our economic development activities.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ STRONGER SENSE OF PLACE

Wellington will be a prime tourist and conference destination, with a range of attractions that highlight the city's best features.

The Council contributes by supporting tourism promotion, providing conference venues, and supporting visitor attractions and facilities such as Te Papa. (We also fund the City Gallery, the Zoo, botanical gardens and other attractions under other strategy areas.)

We measure progress towards this outcome by monitoring visitor numbers and their length of stay.

■ MORE COMPACT

Wellington's CBD will be the region's premier retail, entertainment and commercial district.

The Council contributes through its Urban Development Strategy by protecting the city's compact 'heart', providing an urban environment of outstanding quality around the waterfront and city centre, and allowing mixed land use in the inner city so shops, cafes and bars, offices, visitor attractions and residential developments can all co-exist.

Through this strategy, the Council supports tourism and events, and supports city centre vitality by providing free weekend parking.

We measure progress towards this outcome by monitoring the number of businesses and people employed in the retail, entertainment and knowledge sectors.

■ MORE EVENTFUL

Wellington will maximise economic value from promoting and hosting high-profile events.

The Council contributes by supporting a wide range of entertainment and community events and festivals, ranging from the Sevens to the NZ International Arts Festival to Cuba Carnival. 'Iconic' events such as the Sevens and World of WearableArt contribute tens of millions of dollars to the city's economy each year.

We measure progress towards this outcome by monitoring the economic return (estimated new spend and total value added) from the major events that we support.

■ MORE ENTREPRENEURIAL AND INNOVATIVE

Wellington will have high levels of innovation underpinned by strong education and training, research, entrepreneurship and investment.

The number of research and development businesses in Wellington more than doubled between 2000 and 2007, from 37 businesses to 103. Employment in the sector also grew significantly over the same period.

The Council contributes by maintaining relationships with tertiary institutions and creative businesses, and through initiatives that attract skilled people and celebrate and foster the development of an innovation economy.

■ BETTER CONNECTED

Wellington will have world class communications and transport linkages.

The Council contributes by supporting plans to establish a high speed broadband network throughout the city, and by engaging with government, business and other partners such as our sister cities to promote Wellington's interests.

We measure progress towards this outcome by monitoring the roll-out and uptake of broadband across the city and business and tourism growth that comes as a result of securing a direct long-haul airline link between Wellington and Asia.

■ **MORE COMPETITIVE AND PROSPEROUS**

Wellington will be a competitive city, attracting and retaining people, investment, businesses and industries.

According to *Management* magazine, Wellington had 29 of New Zealand's top 200 companies in 2007 (the list excludes banking, insurance, and financial companies). The number of businesses in the city grew by 18.1% between 2001 and 2007.

The Council contributes by promoting all the services that make the city a place where employers and employees want to live.

We measure progress towards this outcome by monitoring the number and types of business that locate here.

Our focus for the next three years

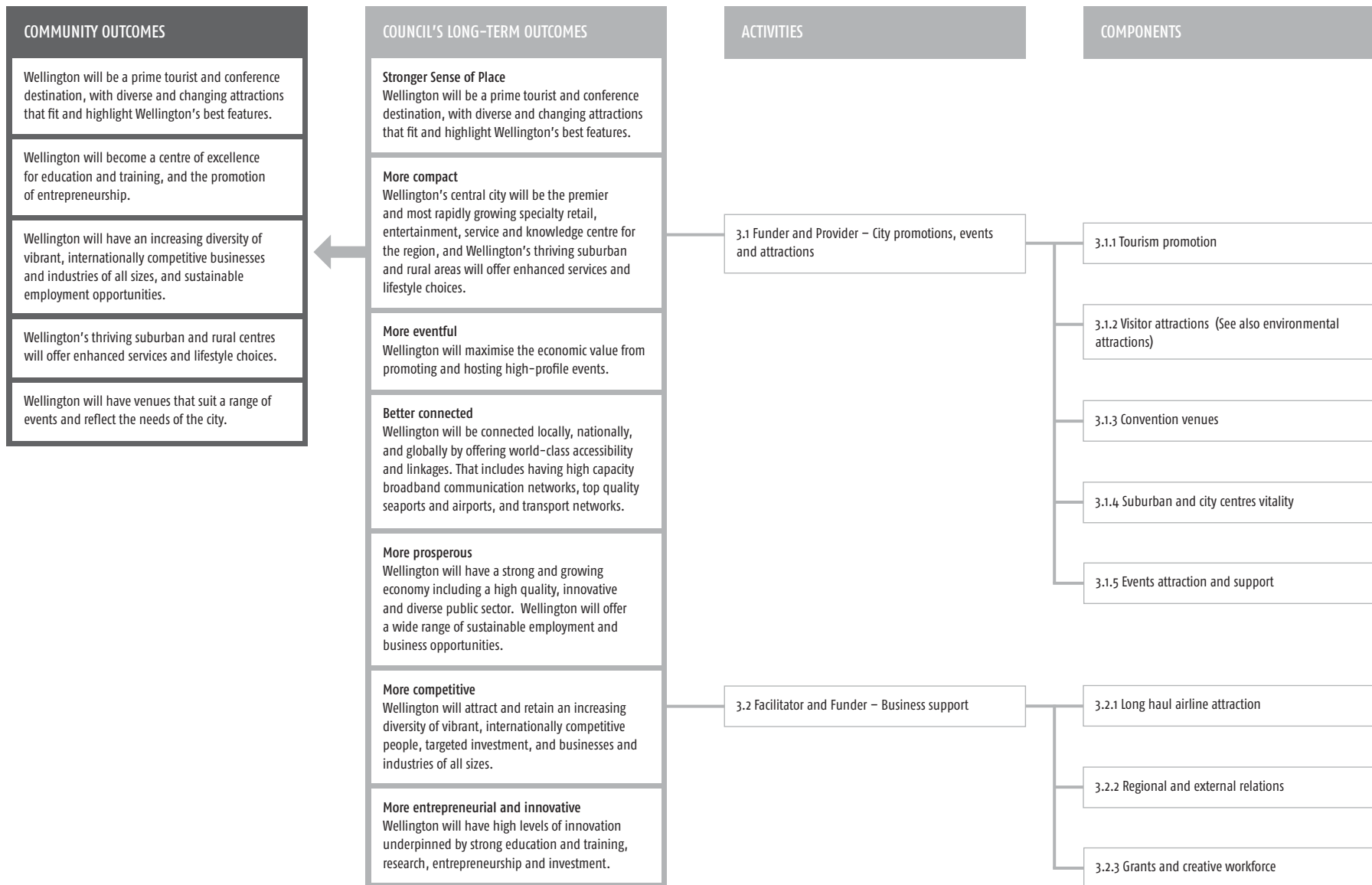
The way we respond to our current challenges will be important over the next three years. Our key focus will be on:

- Maintaining Wellington's reputation as a vibrant, creative and eventful place. Specific actions towards this will be to maximise the economic return from our events development fund. This will include making the most of the opportunities provided by the city hosting games as part of the 2011 Rugby World Cup. We've also extended our funding for the NZ International Festival of the Arts, Te Papa (see Cultural wellbeing), and Positively Wellington Tourism to grow Australian visitor numbers.
- Working with others to sustain Wellington's service/creative industries and workforce. This includes maintaining our investment in tourism and advocating on behalf of our community to the government and business for investment in activities such as broadband.

Our investment in the city

In the Economic development area we plan to spend \$77.044 million in operating expenditure in the next three years and \$1.992 million on capital works.

STRATEGY TREE – ECONOMIC DEVELOPMENT



3.1 CITY PROMOTIONS, EVENTS AND ATTRACTIONS

What's included here

We support a wide range of events, attractions, and city promotions to position Wellington as an internationally competitive city. We aim to help the city maintain its edge as a prime tourist and conference destination, maximise economic value from promoting and hosting high-profile events, and support the development of a healthy retail sector.

Towards these aims we plan to provide: funding to Positively Wellington Tourism; an annual grant to Te Papa; an Events Development fund; and free car parking at the weekends. We also provide the Wellington Convention Centre and other attractions.

In addition to what's covered here, we provide funding for Wellington Zoo, the Karori Sanctuary, the Wellington Museums Trust and the Carter Observatory, and we maintain the botanical gardens and many other facilities that appeal to tourists. We discuss these in other chapters (see cultural well-being for museums and the environment chapter for the others).

Why it's important

Tourism makes a major contribution to the city's economic well-being. The city's service industry is a major employer and it benefits directly from tourism spending. The events and attractions that draw visitors to Wellington also add to the city's vibrant atmosphere.

Sustaining and increasing visitor numbers also provides economic incentives for us to preserve and enhance Wellington's natural landforms and other features and venues that add to our cultural identity. Our support of Te Papa,

for example reflects, the appeal it has to tourists. Te Papa currently welcomes 1.3 visitors per year. Our funding helps with promotions domestically and overseas. Because its focus is New Zealand's history, prehistory and art, its presence allows other Council-funded museums and galleries to focus on the Wellington story.

The Wellington Convention Centre offers auditoriums that are not provided for in the private sector. The performances, shows and conventions that are hosted bring new spending to the city and also provide residents access to world class and local performances.

Major events such as the World of Wearable Arts Awards and the NZI Rugby Sevens raise Wellington's profile, help increase the city's economic competitiveness, encourage innovation and entrepreneurship, and help forge partnerships that bring economic benefits to the city.

A thriving retail sector in the heart of the city is an important part of Wellington's appeal. It makes the central city lively and supports the wide range of events that are on. We offer free parking at the weekends to encourage residents and visitors into the city to shop and access other services. We maintain time restrictions to generate turnover and allow more people access.

Contribution to community outcomes

This activity contributes towards the following community outcomes: 'Wellington will be a prime tourist and conference destination, with diverse and changing attractions that fit and highlight Wellington's best features', and 'Wellington will have venues that suit a range of events and reflect the needs of the city'.

What we'll provide – our level of service

Visitor numbers have grown rapidly over the past decade. More than half a million people now visit Wellington each year. But the current global economic climate threatens to impact on further growth in the short term. That's why we think it's vitally important that we sustain our investment in this area.

Wellington's vibrant central city and events scene are at the heart of the city's distinctive character. They have been important points of difference in recent years. Our effectiveness of using these to attract visitors has not been lost on other cities which are now looking to emulate our success.

These two factors – the likelihood of people choosing to spend less on travel and competing for that spend with other destinations – means we need to ensure that the city remains an appealing destination.

We think we're well placed to do this and that to sustain our spending in the immediate future and beyond is important for two key reasons. First, it is prudent to do so. We have invested on behalf of the community in high-quality events and promotions for a number of years. Much of the city's appeal and reputation is linked to these. It would be difficult to retain or regain these if investment was reduced.

Secondly, decisions to withdraw or reduce spending in these areas would likely have negative consequences beyond any event that was cut. It would impact on employment. The city's vibrant reputation and appeal benefits the economy in two ways. It makes the city a stimulating place for employees and employers to live, and it keeps viable Wellington's large service industry (and associated jobs).

A further consideration is the need to retain the skills and capacity in the tourism and events sector in the lead up to the 2011 Rugby World Cup. This event is expected to attract unprecedented visitor numbers and will showcase the city to the world.

Our funding for Positively Wellington Tourism aims to ensure the city remains a destination of choice. The core approach to attract visitors will be:

- to focus on the domestic and Australian markets while maintaining a presence in other markets such as the United States and Britain
- to encourage longer stays
- to promote quality experiences.

We have provided additional funding to Positively Wellington Tourism to grow Australian tourist numbers in Wellington. Australia provides more visitors to New Zealand than any other country and this market represents the best opportunity to increase visitor numbers in the current economic climate and beyond.

We have agreed to provide additional funding of \$2,576 million over the next three years to Positively Wellington Tourism conditional on them obtaining matching external funding from central government and commercial partners. After three years the programme will be reviewed before further funding is allocated.

It is anticipated that Wellington can increase the number of direct Australian visitor arrivals numbers by 7,300 a year (around 7.2%) and the visitor spend in Wellington by \$27 million annually (around 10%) in the first full year of funding.

Funding for Positively Wellington Tourism and its activities come from the Downtown Levy – which is paid for by central city businesses and not general rate payers.

We plan to increase our annual funding support to Te Papa from \$2 million to \$2.25 million. The additional funding recognises that Te Papa has not received any funding increases from Council for inflation since 2002/03, and will also signal to central government that we support sustaining Te Papa's funding at a level that enables it to continue to provide a leading-edge, world class museum experience for visitors.

The majority of Te Papa's operations are funded by central government. Our contribution recognises the importance of Te Papa to the city, and that its 1.3 million visitors each year – many of whom are from outside the region or from overseas – contribute significantly to the city's economy, and will assist Te Papa to secure an ongoing programme of new exhibitions and shows that would otherwise not be made available in Wellington.

We'll continue to operate the Wellington Convention Centre to its high standard. Its 22 venues over three sites cater for 50 – 4,500 people. The main auditorium at the Michael Fowler Centre is one of the country's premier concert halls and the TSB Arena is the city's largest indoor concert venue. Combined with the Town Hall the venues host events as varied as formal dinners, conferences, trade shows, sports internationals, the NZ orchestra and children's and community festivals.

We'll maintain our events development fund to attract high profile events to the city. Those currently planned include the annual NZI Rugby Sevens, and World of WearableArts Awards, and in 2010 the Tai Kwon Do World championships, Women's

Waterpolo World Cup, World OK Dinghy Champs, and the World Unicycle Champs. We'll work alongside promoters to attract and secure other events to ensure that each year there is a variety of major events with wide appeal. This work is complemented by the many community festivals and events that we run (see section 4.3).

Key projects over the next three years, we'll:

- Host matches and promote Wellington as part of the 2011 Rugby World Cup. In the current economic climate it is of increased importance that opportunities to attract new spend to the city are seized and that they are commercially viable at a time when discretionary spend has been reduced. With an estimated 60,000 international visitors to the country this is one such event. The city will host two quarter finals and five pool games.
- Support Positively Wellington Tourism's online strategy to meet the changing expectations of travellers. In the last few years, people have become less likely to select tourism products and services through travel agents. Instead, they have embraced research and purchasing of tourism products and services online. In 2008 we committed long-term funding of more than \$500,000 per year for them to create and maintain a fully interactive online experience.
- Re-launch the Carter Observatory as a cutting edge science based visitor attraction in October 2009. We are providing new funding of \$200,000, and reallocating \$300,000 from existing budgets to help get the project completed. The funding will go towards installing a digital 360 degree projection system in the planetarium that will be used not only to present night-sky tours and real space data – but also enable the Observatory to showcase work from local

creative industries, and give tourists a new perspective of the city.

- Work with the St James Theatre Trust to review opportunities to consolidate its and the Wellington Convention Centre's operations.
- Explore the viability of introducing a regional amenities levy. This would see ratepayers from across the region contributing towards the costs of attractions and facilities that benefit the region as a whole. A similar approach has been introduced in Auckland (through the Auckland Regional Amenities Funding Act 2008).

Other attractions that are planned for completion in the coming years include:

- a wharewaka on the waterfront (see 6.5.1 Waterfront development)
- a substantial extension to the city gallery (which plans to re-open by October 2009)
- a new visitor centre at Zealandia – the Karori Sanctuary (which is due to open in autumn 2010).

We will also make a decision on whether or not to provide further funding support for the establishment of the new

Marine Education Centre at the former 'Maranui Depot' site in Lyall Bay following the completion of a feasibility study (see activity 2.6).

How we'll measure our performance

We'll know we're succeeding: when visitor numbers and lengths of stay continue to increase; when the major events we support return more than 20:1 on the council's investment; and when the convention centre sustains its high number of events and attendees. We'll use the following performance measures to monitor our progress.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|---|--|---|---|---|---|
| STRONGER SENSE OF PLACE MORE EVENTFUL MORE COMPACT MORE COMPETITIVE | <ul style="list-style-type: none"> • Number of domestic and international visitors • Accommodation rates • Number of major conferences | <ul style="list-style-type: none"> • Number of A-level events held in Wellington and their economic contribution • New Zealand's top 200 companies based in Wellington • Business enterprises – births and growths (net growth in business) | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We support a wide range of events, attractions and city promotions to position Wellington as an internationally competitive city. | Te Papa visitors (by overseas visitors (OV) and NZ visitors from outside the region (NZOR)) | Total = 1.3m OV = 521k NZOR = 365k | Total = At least 1.3m OV = At least 520k NZOR = At least 365k | Total = At least 1.3m OV = At least 520k NZOR = At least 365k | Total = At least 1.3m OV = At least 520k NZOR = At least 365k | Total = At least 1.3m OV = At least 520k NZOR = At least 365k |
| | International visitors – guest nights | 7% increase | Note: performance targets for the Positively Wellington Tourism are included in the Council controlled organisation section of this long-term plan. | | | |
| | International visitors – market share (US, UK and Australian) | US – 0.08% / UK – 0.25% Australia – 0.8% | | | | |
| | New Zealand market visitors | 6.4% increase | | | | |
| | Positively Wellington Tourism – partnership funding compared to WCC funding (%) | 4.0% of WCC funding | | | | |

Continued overleaf

| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS (continued) | | | | |
|--|--|------------------------------------|---|------------------------------------|------------------------------------|------------------------------------|
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We support a wide range of events, attractions and city promotions to position Wellington as an internationally competitive city. | Events Development Fund: • events supported | 23 | No target – we seek to support as many worthwhile events as possible that meet criteria within budget constraints | | | |
| | • estimated attendance* | 470k | 500k | 500k | 580k | 500k |
| | Events Development Fund – economic impact of events (new spend)* | \$66 million | \$40 million | \$40 million | \$58.5 million | \$40 million |
| | Carter Observatory – visitors | New measure | 26,700** | 82,800 | 85,000 | 85,000 |
| | Free on-street weekend parking – weekend car park turnover rates | Weekends 6.8 cars/day | Weekends 6.8 cars/day | Weekends 6.8 cars/day | Weekends 6.8 cars/day | Weekends 6.8 cars/day |
| | Wellington Convention Centre and TSB Arena – events | 798 events, incl. 130 concerts | 790 events, incl. 120 concerts | 800 events, incl. 105 concerts | 810 events, incl. 125 concerts | 820 events, incl. 125 concerts |
| | Wellington Convention Centre and TSB Arena – occupancy | Town Hall 67% MFC 50% / TSB 70% | Town Hall 65% MFC 69% / TSB 65% | Town Hall 66% MFC 70% / TSB 68% | Town Hall 67% MFC 71% / TSB 79% | Town Hall 70% MFC 74% / TSB 83% |
| Creative workforce – Businesses, jobs and GDP by targeted sectors (Education Sector, Food & Beverage Sector, Manufacturing Sector, Film Sector and Primary Sector) | New measure | Positive growth across all sectors | | | | |

Targets will be adjusted for the final plan to account for the allocation of pool games.

** Carter Observatory visitor target for 2009/10 is dependant on when the facility re-opens.

* Note: Targets reflect the impact of the two quarter finals for the Rugby World Cup 2011.

How we manage our assets that support this activity

Wellington Convention Centre: The Wellington Convention Centre comprises the Wellington Town Hall and the Michael Fowler Centre. Our Wellington Convention Centre Asset Management Plan sets out performance, condition and customer service requirements for both buildings. The properties are managed with the aim of complying with all relevant legislative requirements at all times. We aim to maintain both in excellent condition, sufficient to protect our investment and maintain existing levels of service while achieving reasonable return on expenditure.

Regular audits are carried out to assess condition and performance on all buildings. User surveys are also used.

The century-old Town Hall is listed as a heritage building in our District Plan and is also registered with the Historic Places Trust. We manage it in line with our Built Heritage Policy and in compliance with district plan requirements which aim to protect heritage features.

Events Centre: The Events Centre is owned by Wellington Waterfront Ltd (a council controlled organisation) and managed by our Wellington Convention Centre business unit under contract.

The main factors that affect the demand on this portfolio are demographic changes and usage trends/expectations. While usage in the convention business is likely to be affected by economic conditions in the short to medium term, there is no basis for that to be the case long-term. The city's population is forecasted to increase as is the 40–64 age group, who have historically been the largest section of the events audience.

Research undertaken to date also indicates that Wellington as a convention destination remains in high demand. This also indicates that even though we offer the largest venue in Wellington, we lack the supporting flat floor

exhibition space to accommodate large trade exhibits required for larger conventions.

Accordingly we have a planning project under way that will investigate opportunities to expand the Michael Fowler Centre, across the adjacent carpark to meet this identified need in the long-term. In the short to medium term, to reflect the likely impact of the economic downturn on this activity, our approach will be to manage demand and focus on looking at ways of modifying customer demands in order that the utilisation of existing assets is maximised and the need for new assets is deferred or reduced.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 3.1.1 Tourism promotion | - | - | 100% | - | - | - | 100% |
| 3.1.2 Visitor Attractions | - | - | 100% | 30% | - | - | 70% |
| 3.1.3 Convention venues | 55% | - | 45% | 45% | - | - | - |
| 3.1.4 Suburban and city centres vitality | - | - | 100% | - | - | - | 100% |
| 3.1.5 Events attraction and support | - | - | 100% | - | - | 100% | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 3.1 City promotions, events and attractions | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 3.1.1 Tourism promotion | - | 5,240 | 5,240 | - |
| 3.1.2 Visitor attractions | - | 2,587 | 2,587 | 1,138 |
| 3.1.3 Convention venues | (5,853) | 10,681 | 4,828 | - |
| 3.1.4 Suburban and city centres vitality | - | 1,266 | 1,266 | - |
| 3.1.5 Events attraction and support | - | 2,958 | 2,958 | - |
| 2009/10 3.1 Total | (5,853) | 22,732 | 16,879 | 1,138 |
| 2010/11 3.1 Total | (6,029) | 23,653 | 17,624 | 582 |
| 2011/12 3.1 Total | (6,210) | 25,549 | 19,339 | 273 |
| 2008/09 3.1 Total | (5,201) | 19,880 | 14,679 | 2,539 |

Note the events attraction and support activity includes a \$950,000 grant to the NZ International Festival of the Arts (for the next three years, after which it reverts to \$750,000 per year)(see the cultural well-being chapter).

Note 3.1.4 Suburban city and centre vitality covers the provision of free weekend parking and the Marsden Village levy.

3.2 BUSINESS SUPPORT

What's included here

Through our business support work, we aim to enhance residents' quality of life by raising overall levels of prosperity. Our strategies as a whole aim to provide an environment that encourages innovation and entrepreneurship, and enhance Wellington's competitiveness as a world-class location for talent, business/industry and investment. An important step in achieving this is to make the city more 'connected', by securing the communications and transport infrastructure so vital to business success.

Towards these aims we plan to:

- enhance the city's communications infrastructure by working with the government and others to roll-out high-speed broadband across the city
- support Positively Wellington Tourism and Wellington International Airport in their bid to attract at least one daily long-haul air service to the city from a destination in Asia
- represent Wellington's interests to central government and other agencies, sister cities, and the business community – and celebrate their success.

We also plan to advocate for our community's interests through the Wellington Regional Strategy and *Grow Wellington* – the new regional economic development agency responsible for its implementation.

Why it's important

Information technology is increasingly seen as a driver of economic growth, which means development of communications infrastructure and a tech-literate workforce is important for our city's future prosperity.

It provides connections to businesses around the world – reducing the city's distance from markets – and stimulates new creative industries (for example computer gaming which is now a significant part of the entertainment sector).

A community with widely available and affordable broadband can also expect environmental and health benefits. Being able to access information 'remotely' and quickly could reduce the need to travel and allow convenient access to some health care services.

Maintaining relationships with other cities and gaining more direct access to their markets will increase tourism and investment in the city. Improving access to Asian markets is particularly important at this time. New Zealand's free trade agreement with China, for instance, provides local businesses with new opportunities to access large markets. Securing an airline to fly regularly between Wellington and Asia would further enhance those opportunities.

New Boeing and Airbus aircraft are opening up new routes to airlines. Planes can now travel further and land on shorter runways. This means Wellington's relatively short runway is no longer a restriction to long haul aircraft. This technology change and pressures in the industry mean airlines are currently reviewing routes and making decisions about where to use these aircraft. It is considered an opportune time for Wellington to be advancing its case.

These initiatives will benefit not only the city but the region. We know that our prosperity is linked to that of the wider Wellington community. Working alongside other institutions in the region such as *Grow Wellington* means we can make the most effective use of our limited resources towards shared goals.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington will have an increasing diversity of vibrant, internationally competitive businesses and industries of all sizes, and sustainable employment opportunities' and 'Wellington will become a centre of excellence for education and training and the promotion of entrepreneurship.'

What we'll provide – our level of service

The Council's vision is for Wellington to achieve universal access to high-speed affordable broadband by 2012. We've asked potential industry partners for their help in how best to turn this vision into a reality. And in 2008, we submitted an expression of interest to the government's broadband investment fund.

The Government has committed up to \$1.5 billion for the roll out of ultra-fast broadband to businesses, schools, hospitals and 75 per cent of homes over the next 10 years. The 2009 budget has kick-started the Government's commitment to ultra fast broadband with \$290 million of initial implementation funding for the 2009/10 financial year.

Options for how this will be implemented are not yet finalised. It is expected that the Government's investment will be at least matched by the private sector. The overall objective is to stimulate more investment that will result in better services – which doesn't necessarily mean the Council has to start building its own infrastructure, although that is an option. \$200,000 has been budgeted for each of the next two years at this stage to cover our business case and advocacy work.

We also plan to do the following:

- We'll continue to contribute \$200,000 per annum towards Positively Wellington Tourism and Wellington International Airport's bid to secure a regular long haul airline route between Wellington and Asia.
- We'll retain our sister city relationships with Beijing and Xiamen in the People's Republic of China and with Sakai, Japan. These formal, long term relationships are based on diverse linkages between the two cities – including cultural, educational and business links. They involve hosting and taking part in international delegations. The number of events can fluctuate from year to year. We're expecting around 15 delegations a year.

We'll celebrate Wellington's talented and creative workforce through a series of annual sponsored awards and scholarships.

These will include the Training Graduation Ceremony, Gold Awards, World Class New Zealanders Awards, Don Trow Fellowship, Wellingtonian of the Year Awards (The Wellys), and the Sustainable Business Awards.

We'll also maintain relationships with key institutions towards the common goal of attracting and retaining a skilled workforce. These include the universities and the development of a Settlement Strategy with the Ministry of Social Development.

We plan to reduce our spending and involvement in the *Move to Wellington* website. It is designed to attract skilled migrants to Wellington. We remain committed to the objective but given that it is a primary goal of *Grow Wellington* we see the function being delivered by them.

This is also true of our economic grants programme.

We'll reduce the programme from \$165,000 per annum to \$50,000. A number of past applicants have been eligible for grants under other programmes such as our cultural pool.

How we'll measure our levels of service and performance

We'll know we're succeeding: when direct flights to Asia can be accessed out of Wellington; when high-speed broadband is rolled out across the city; and when we see positive growth in jobs and businesses in the information technology and other creative industries. We'll use the following performance measures to monitor our progress.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|---|--|--|---------|-----------------|
| MORE ENTREPRENEURIAL AND INNOVATIVE MORE PROSPEROUS BETTER CONNECTED | <ul style="list-style-type: none"> • Growth in businesses and employees – retail, entertainment, service and knowledge sectors • Domestic and international airline passengers entering Wellington Airport • Broadband usage • Cargo loaded and unloaded at Wellington Seaport and Airport (\$value) • GDP and regional economic activity growth • Employees by industry • Labour force participation rate • Number of job vacancies • Income – household and personal • Industry training enrolments • Businesses and employees in research and development sector • Tertiary students enrolled in Wellington City and NZ | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We provide economic grants to one-off projects that bring economic benefit to the city. | Economic grants – Number of applicants; number of successful applicants; total budget allocated | Applicants 13 / Successful applicants 4 | No target – we seek to support as many worthwhile initiatives that contribute to the economic well-being of Wellington city and its people in accordance with eligibility criteria and budget constraints. | | | |
| We represent Wellington's interests to central government and other agencies, sister cities, and the business community. | Events / activities held with formal international partnership cities (in Wellington and overseas) | 15 events / activities | No target – we seek to seize opportunities when they arise and do not have a formal schedule for all international partnership city events / activities | | | |
| We are supporting Positively Wellington Tourism and Wellington International Airport in their bid to attract a long haul air service. | Long haul airline project – project milestones | Marketing, research and business case development continues | Business case completed | Performance measures and targets will be developed following completion of the business case | | |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---------------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 3.2.1 Long-haul airline attraction | - | - | 100% | 100% | - | - | - |
| 3.2.2 Regional and external relations | - | - | 100% | 100% | - | - | - |
| 3.2.3 Grants and creative workforce | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 3.2 Business Support | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---------------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 3.2.1 Long-haul airline attraction | - | 200 | 200 | - |
| 3.2.2 Regional and external relations | - | 261 | 261 | - |
| 3.2.3 Grants and creative workforce | - | 1,287 | 1,287 | - |
| 2009/10 3.2 Total | - | 1,748 | 1,748 | - |
| 2010/11 3.2 Total | - | 1,767 | 1,767 | - |
| 2011/12 3.2 Total | - | 1,595 | 1,595 | - |
| 2008/09 3.2 Total | - | 2,063 | 2,063 | - |

10-year Financial Projections – Economic Development

Operational Expenditure (\$000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|----------------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 19,880 | 3.1 | City promotions, events and attractions | 22,732 | 23,653 | 25,549 | 23,713 | 23,705 | 24,289 | 25,315 | 25,414 | 25,900 | 27,015 |
| 2,063 | 3.2 | Business support | 1,748 | 1,767 | 1,595 | 1,639 | 1,675 | 1,710 | 1,753 | 1,796 | 1,840 | 1,894 |
| 21,943 | | Total Operating Expenditure | 24,480 | 25,420 | 27,144 | 25,352 | 25,380 | 25,999 | 27,068 | 27,210 | 27,740 | 28,909 |
| - | | Less: Non-funded Depreciation | - | - | - | - | - | - | - | - | - | - |
| 21,943 | | Total Operating Expenditure to be funded | 24,480 | 25,420 | 27,144 | 25,352 | 25,380 | 25,999 | 27,068 | 27,210 | 27,740 | 28,909 |
| Operating expenditure funded by: | | | | | | | | | | | | |
| 5,195 | | Direct activity income | 5,847 | 6,022 | 6,204 | 6,391 | 6,584 | 6,777 | 6,981 | 7,192 | 7,408 | 7,630 |
| 7,312 | | General Rates | 7,352 | 7,153 | 7,080 | 7,579 | 7,206 | 7,248 | 7,873 | 7,556 | 7,613 | 8,272 |
| 9,430 | | Targeted Rates | 11,275 | 12,239 | 13,854 | 11,375 | 11,583 | 11,967 | 12,207 | 12,455 | 12,711 | 12,999 |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| 6 | | Other Income | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 8 | 8 |
| 21,943 | | Total Funding for Operational Expenditure | 24,480 | 25,420 | 27,144 | 25,352 | 25,380 | 25,999 | 27,068 | 27,210 | 27,740 | 28,909 |

Capital Expenditure (\$000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|--|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2,539 | 3.1 | City promotions, events and attractions | 1,138 | 582 | 273 | 684 | 564 | 1,085 | 665 | 510 | 990 | 287 |
| 2,539 | | Total Capital Expenditure | 1,138 | 582 | 273 | 684 | 564 | 1,085 | 665 | 510 | 990 | 287 |
| Capital expenditure and loans funded by: | | | | | | | | | | | | |
| 1,182 | | Depreciation | 1,251 | 1,246 | 1,208 | 1,130 | 1,070 | 1,048 | 1,063 | 1,051 | 985 | 951 |
| - | | Grants & Subsidies | 400 | - | - | - | - | - | - | - | - | - |
| - | | Development Contributions | - | - | - | - | - | - | - | - | - | - |
| 1,357 | | Borrowings and working capital* | (513) | (664) | (935) | (446) | (506) | 37 | (398) | (541) | 5 | (664) |
| 2,539 | | Total Funding for Capital Expenditure and Loans | 1,138 | 582 | 273 | 684 | 564 | 1,085 | 665 | 510 | 990 | 287 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

CULTURAL WELLBEING



Introduction

This provides a succinct outline of the key challenges we face, our long term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those.

4.1 Galleries and museums

This activity covers our support for the Wellington Museums Trust. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area. (Also see the Council controlled organisations section.)

4.2 Heritage

This activity covers City Archives. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area. (Also see the Council controlled organisations section.)

4.3 Community arts and cultural support

This activity covers community festivals, cultural grants and other steps to encourage Wellington's diverse communities to participate in cultural activities. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

4.4 Arts partnerships

This activity covers the role we play in facilitating the city's professional arts scene. It includes our support for the NZ International Festival for the Arts. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | | |
|---|--|--|
| OUR AIM ▶ | <i>Shaping Wellington's unique cultural identity</i> | |
| WHAT WE DO TO SUPPORT OUR AIM | 4.1 Galleries and museums 4.2 Heritage | 4.3 Community arts and cultural support 4.4 Arts partnerships |
| CHALLENGES WE FACE | <ul style="list-style-type: none"> • Maintaining and strengthening Wellington's cultural and arts 'edge' – in the face of increasing competition from other city's adopting our approach. • Changes in attitudes towards ethnic diversity can also arise during economic downturn. We'll need to monitor this and ensure that we continue to promote tolerance as part of our role as community leaders. | |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none"> • Providing a supportive environment in which arts and cultural activities can flourish. • Building the city's status as New Zealand's arts and culture capital and 'events capital'. • Providing a welcoming environment for the city's diverse population. • Fostering and celebrating 'sense of place' – the combination of landscape, buildings, public art and other features that give the city a unique look and feel. | |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none"> • Maintaining Wellington's inclusive culture. In a practical sense, this will mean continuing to provide a wide range of cultural based festivals. • Recognising the special place of mana whenua in the city's culture and arts. • Facilitating a supportive environment for artistic and cultural expression. | |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none"> • When continued high levels of Wellingtonians and New Zealanders agree that the city has a culturally rich and diverse arts scene. • When continued high levels of Wellingtonians and New Zealanders agree that the city is the country's arts capital. • When visitor targets to the city's galleries and museums continue to be met; and when resident participation in cultural and arts activities continue to increase. | |



Shaping Wellington's unique identity

Introduction

Wellington is:

- a city that celebrates diversity
- the home of New Zealand's leading arts and culture institutions – including the NZ International Arts Festival and Te Papa, the New Zealand Symphony Orchestra, the Royal NZ Ballet and the National School of Dance and Drama
- home to outstanding local arts and culture organisations such as the City Gallery, professional theatres, and local museums
- an important centre for film-making, contemporary music and other creative industries.

The city's reputation as New Zealand's arts and culture capital is richly deserved and important to Wellingtonians. Most take part in cultural activities, for example going to music or drama performances, local festivals or art exhibitions. Nearly a quarter speak a language other than English. Most think cultural diversity makes the city a better place to live.

What is cultural well-being?

Cultural well-being is about a sense of belonging, about people feeling welcome in the city and seeing and hearing themselves reflected in their surroundings.

This is achieved when people and communities are able to express themselves through art, music, dance, stories, language, and by sharing their history and traditions, and other creative activities.

In Wellington, the vitality and vibrancy this creative and cultural expressions brings to the city is highly valued.

The challenges we face

Wellington's events and festivals, its museums and galleries, its public art, its distinct landforms and cityscape, its tradition of welcoming diversity, are all part of what it means to be

a Wellingtonian. Artistic and cultural expression – important in themselves – also contribute significantly to economic and social well-being by attracting visitors, making the city an attractive place to live, and bringing people together.

The key challenge facing the city is to maintain and strengthen this 'edge'. This is particularly important in the face of increasing competition from other cities adopting our approach. And it's important because we've invested in this area for a long period and that's created an environment where sponsors and benefactors see value in supporting the arts. This type of support reduces the financial demands that might otherwise be asked of ratepayers. Cultural groups, nevertheless, will continue to face the twin pressure of cost increases and needing to secure funding from the finite pool of sponsors.

Changes in attitudes towards ethnic diversity can also arise during economic downturns. As they can from increasing diversity. We'll need to monitor this and ensure that we continue to promote tolerance as part of our role as community leaders.

The long-term approach

Wellington City Council's long-term approach to cultural well-being is focused on:

- providing a supportive environment in which arts and cultural activities, both at community and professional levels, can flourish
- maintaining the city's status as New Zealand's arts and culture capital and 'events capital'
- providing a welcoming environment for the city's diverse population and supporting them to practice and share their own cultural experiences
- fostering and celebrating 'sense of place' – the combination of landscape, buildings, public art and other features that give the city a unique look and feel
- working in partnership to ensure mana whenua are recognised, valued and visible in the city.

Supporting policies

The Council's strategic approach to cultural well-being is supported by our Arts Collections Policy, Public Art Policy, Grants criteria, Museums Policy, *Wellington – Our Sense of Place* and the Archives Policy. These are available from our website www.Wellington.govt.nz. The Wellington Museums Trust's statement of intent also complements our work in this area.

Links with other strategies

The Council's Urban Development Strategy supports cultural well-being by providing a compact inner city environment in which events can flourish, and by contributing to 'sense of place'. Through the Social and Recreation Strategy, the Council works to strengthen social cohesion, provides opportunities for people to come together and enjoy social and recreation events, and – through the libraries – helps to preserve the city's history and tell its stories. Major events such as WOW, and the Cuba Carnival and visitor attractions like Te Papa that add to the breadth of cultural experiences and are supported through the Economic Development Strategy.

STATE OF THE CITY – KEY FACTS

| | |
|---|-------------|
| Percentage of Wellingtonians who think that diversity makes Wellington a better place to live (2009): | 77% |
| Percentage of Wellingtonians who have participated in an arts or cultural activities in the past 12 months: | 90% |
| Percentage of Wellingtonians who speak a language other than English (Census): | 24% |
| Percentage of Wellingtonians who were born outside New Zealand (Census): | 27% |
| Percentage of Wellingtonians and New Zealanders that see Wellington as the country's arts capital (2009): | 80% and 64% |

Negative effects

We do not anticipate any negative effects from our cultural well-being activities.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ STRONGER SENSE OF PLACE

Wellington will have a strong local identity that celebrates and protects its sense of place, capital city status, distinctive landforms and landmarks, defining features, history, heritage buildings, places and spaces.

We contribute to this outcome by providing Wellingtonians access to museums and galleries, public art works, the City Archives, heritage landmarks such as Te Ara O Nga Tupuna – the Maori Heritage Trail and other features that allow people to reflect on the past and come together.

We measure progress towards this outcome by monitoring the percentage of residents that continue to think that Wellington's local identity (sense of place) is appropriately valued and protected.

■ MORE EVENTFUL

Wellington will be recognised as the arts and culture capital, and known for its exciting entertainment scene and full calendar of events, festivals, exhibitions and concerts.

We contribute by hosting a wide range of community events and festivals all year round. We also fund an ever changing exhibition programme at the city's galleries and museums and support the NZ International Festival of the Arts.

We measure progress towards this outcome by monitoring the percentage of Wellingtonians and New Zealanders that see the city as the arts and events capital.

■ **MORE INCLUSIVE**

Wellington will celebrate its bicultural heritage and growing ethnic, religious and social diversity, and be tolerant, welcoming and inclusive of people's differences to create a sense of belonging, shared understanding and identity.

We contribute in many ways – by focusing many of our community festivals around cultural events, for example the annual Diwali, Pacifika and Chinese New Year festivals, by supporting professional events that reflect global diversity such as the NZ International Arts Festival.

We measure progress towards this outcome by monitoring the percentage of Wellingtonians and New Zealanders who agree that the city has a culturally rich and diverse arts scene.

■ **MORE ACTIVELY ENGAGED**

Wellington will encourage greater involvement and participation by offering an exceptional range of arts and cultural amenities that cater to all tastes as well as a high quality natural environment that fosters a vibrant city life.

We contribute by providing access to venues and by providing grants and support for the community arts sector.

We measure progress towards this outcome by monitoring visitor numbers at our venues and the percentage of residents that participate in art and cultural activities each year.

Our focus for the next three years

The way we respond to our current challenges will be important over the next three years.

Our key focus will be on:

- Maintaining Wellington's inclusive culture. Specific actions will be to ensure that the community events and exhibitions provide opportunities for everyone to feel that they

can participate and gain a sense of belonging. In a practical sense, this will mean continuing to support a wide range of cultural activities that reflect the city's diverse communities. This includes reinforcing the special place of mana whenua in the city. Increasing access to Maori art through a new space at the City Gallery and providing additional funding of \$50,000 to support a stronger programme of Maori cultural celebrations (see activity 1.2) in the city are examples.

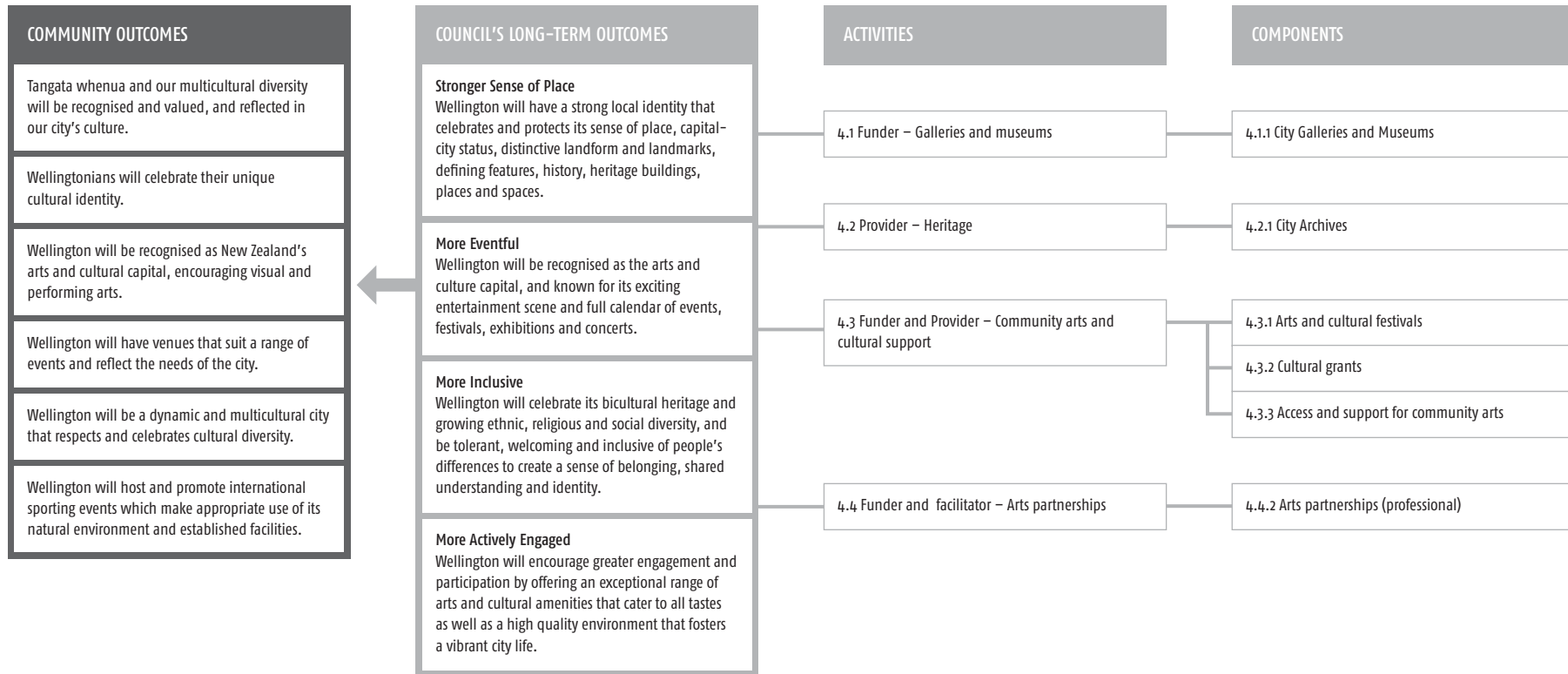
- Facilitation of a supportive environment for artistic and cultural expression. To ensure that the city's cultural status that has been developed over a long period (that the Council has invested in on behalf of the community) remains viable throughout the current economic conditions. Specific actions include providing venues and supporting events so that artists and arts organisations can present their work and continuing support for projects that underpin our cultural capital status. For each of the next three years we have increased our funding of the NZ International Festival of the Arts by \$200,000 so it can retain its current programme. We are also providing \$75,000 to the Creative Capital Trust who deliver the Fringe Festival and the Cuba Street Carnival.

Our investment in the city

In the cultural wellbeing area we plan to spend \$44.416 million in operating expenditure in the next three years and \$1.294 million on capital works.

Over the next few pages, we provide detailed information about our activities in this area, what they cost, who we think should pay, and how we'll measure our performance.

STRATEGY TREE – CULTURAL WELLBEING



4.1 GALLERIES AND MUSEUMS

What's included here

We want high-quality galleries and museums to contribute to Wellington's sense of place and its status as New Zealand's arts and culture capital.

We provide funding to the Wellington Museums Trust, which operates the Museum of Wellington City and Sea, the City Gallery, Capital E, the Wellington Cable Car Museum, the Colonial Cottage Museum, the New Zealand Cricket Museum and the Plimmer's Ark conservation project. These facilities stage displays and events that showcase our culture and arts to residents and visitors.

We also provide funding to Te Papa (see 3.1 City promotions, events and attractions).

Why it's important

Galleries and museums entertain and challenge residents and visitors alike, encouraging engagement and participation in the arts. They help make the city vibrant and interesting, preserve its heritage, form a vital part of Wellington's image as a creative city, and are a source of civic pride. The exhibitions and educational programmes run by the galleries and museums also foster community identity. They allow for reflection and consideration of different views and stories. In addition, several of the museums are housed in listed historic buildings which contribute to the city's heritage and 'sense of place'.

The various venues are also important visitor attractions with over 600,000 people attending exhibitions, shows or educational programmes each year. The location of these draws people into the downtown area and boosts local

businesses, particularly those in the tourism, hospitality and retail sectors.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellingtonians will celebrate their unique cultural identity', 'Wellington will be recognised as New Zealand's arts and cultural capital, encouraging visual and performing arts', 'Wellington will have venues that suit a wide range of events and reflect the needs of the city', and 'Wellington will be a dynamic and multicultural city that respects and celebrates cultural diversity'.

What we'll provide – our level of service

We'll provide funding to support the work of the Wellington Museums Trust (a council controlled organisation). This work includes providing access to high-quality experiences, events and exhibitions at the Museum of Wellington City and Sea, the City Gallery, Capital E, Colonial Cottage Museum, the Cable Car Museum and the New Zealand Cricket Museum. The Trust is also required to conserve and care for the collection it holds in line with internationally recognised practice.

The venues provide a range of exhibitions and events targeted at a wide audience. The Museum of Wellington City to Sea offers a unique insight into the city's past and community stories. It appeals to tourists, students and families. The smaller museums also provide insights into the way the city used to be. While open to everyone, their appeal tends to be more niche – the cricket museum for instance is of interest to sports enthusiasts, both young and old. The City Gallery provides residents and visitors access to touring exhibitions

and local contemporary art works. The exhibitions are regularly changed – with at least 12 new exhibitions annually – to keep the exhibition programme fresh and to present new experiences for those that attend.

The Trust also offers educational programmes. Capital E is home to the Children's National Theatre and to the Soundhouse, a sophisticated production suite that provides young people the chance to explore and learn how to use multimedia technology. Capital E, the City Gallery and other entities offer ever-changing seasonal programmes and includes after school and holiday programmes.

For what's on at each venue visit www.wmt.org.nz.

Key projects over the next three years include:

- Completion of the City Gallery extension in September 2009. The \$6.3 million dollar project includes a new two storey addition at the rear of the gallery and earthquake-strengthening of the existing building. There will be two new exhibition spaces with one dedicated to contemporary Maori and Pacific art. The Michael Hirschfeld Gallery will double in size, creating more space to show work from local artists.
- The Council has contributed \$3.3 million towards the project, including the earthquake-strengthening work. A further \$3 million was gifted: benefactors including the City Gallery Foundation, the Lottery Grants Board, the Adam Foundation and the Hancock, Hirschfeld and Deane families.
- The National Children's Arts Festival. Held every two years, the festival brings together outstanding cultural experiences from throughout New Zealand and overseas for the enjoyment of young people. It's the largest cultural event

for children in New Zealand. The Council provides \$50,000 annually to the Wellington Museums Trust to run the festival. The next festival is scheduled for 2011.

We will increase our funding support to the Wellington Museums Trust by \$1.2 million per year. This increase will be phased in over the next 3 years. Inflationary pressures and reducing external revenue and sponsorship means the Trust requires the additional funding to deliver on its current levels of service. The increased funding will also provide for the continued preservation of some of the recovered Plimmer's Ark timbers, for a larger space to store and care for the city's heritage collection, and increased operating costs associated

with the redeveloped City Gallery – due to re-open in late 2009.

We will work with the Trust in the coming year to explore alternative and new funding options that don't draw on general rates.

We'll also explore the option to bring the management of the Carter Observatory under the Wellington Museums Trust control. The observatory is set to reopen in 2009/10. Its exhibitions will include stories about migration and early Pacific astronomy. The re-launched venue will complement those currently offered by the Trust.

How we'll measure our levels of service and performance

We'll know we're succeeding when the number of people accessing the venues is above our targets and this continues to be matched by high levels of Wellingtonians (94% in 2008) and New Zealanders (82%) agreeing that the city has a culturally rich and diverse arts scene. We'll use the following performance measures to monitor our progress:

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|---|---------|---------|---------|-----------------|-------|
| MORE ACTIVELY ENGAGED | | <ul style="list-style-type: none"> • New Zealander and resident perceptions that 'Wellington has a culturally rich and diverse arts scene' • Resident frequency of engagement in cultural and arts activities • Businesses and employees engaged in the arts and cultural sector | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 | |
| We provide funding support to the Wellington Museums Trust, who deliver high quality gallery and museum experiences and events. | Galleries and museums – visitors: | | | | | | |
| | <ul style="list-style-type: none"> • Museum of City and Sea • City Gallery • Capital E • Wellington Cable Car Museum • Colonial Cottage Museum • NZ Cricket Museum | 90,000 | 203,000 | 105,000 | 224,000 | 4,200 | 2,595 |
| | Galleries and museums – major events and exhibitions held | New measure | | | | | |
| | Average subsidy per customer | \$9.60 | | | | | |

Note: performance targets for the Wellington Museums Trust are included in the Council controlled organisations section of this long-term plan.

How we manage our assets that support this activity

The City Gallery, Capital E, Bond Store (Museum of Wellington City and Sea), the Cable Car Museum and the Colonial Cottage Museum are all managed in line with our Commercial Property Asset Management Plan. The plan sets out performance, condition and customer service requirements for each. The properties are managed with the aim of complying with all relevant legislative requirements at all times. We aim to maintain City Gallery and Bond Store assets in excellent condition sufficient to protect our investment and maintain existing levels of service, while achieving reasonable return on expenditure. We aim to maintain the Cable Car Museum and Colonial Cottage Museum to a standard that sees any assets in poor or very poor condition put right within 12 months. Regular audits are carried out to assess condition and performance on all buildings. Tenant surveys are also used.

The City Gallery, Bond Store, Cable Car Museum and Colonial Cottage Museum are all listed heritage buildings in our District Plan. All are also registered with the Historic Places Trust. We manage them in line with our Built Heritage Policy and in compliance with District Plan requirements which aim to protect heritage features.

WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|----------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 4.1.1 City galleries and museums | - | - | 100% | 75% | - | - | 25% |

Note the activity is part funded by the targeted rate to the Downtown Levy. Note that the Wellington Museums Trust directly receives donations and revenue from store sales. For more information on how activities are funded see our Revenue and Financing Policy in volume two.

WHAT IT WILL COST

| 4.1 Galleries and Museums | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|----------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 4.1.1 City galleries and museums | - | 7,143 | 7,143 | 1,100 |
| 2009/10 4.1 Total | - | 7,143 | 7,143 | 1,100 |
| 2010/11 4.1 Total | - | 8,075 | 8,075 | - |
| 2011/12 4.1 Total | - | 8,382 | 8,382 | - |
| 2008/09 4.1 Total | - | 6,498 | 6,498 | 2,900 |

4.2 HERITAGE

What's included here

The city has a rich history that's worth preserving. The Wellington City Archives aims to do just that. It holds a vast amount of information about the city's past and development from the 1840s to the present. The archives are accessible to members of the public.

Our contribution to heritage goes well beyond the City Archives. We also manage Te Ara o Nga Tupuna – the Maori Heritage Trail and other sites of importance around the city including the Truby King Gardens and Bolton Street Cemetery. Our museums and libraries provide information and stories about changes in our community. We also have a regulatory role to protect historical sites and artefacts through our District Plan and we subsidise consent fees for heritage buildings that are being restored. These functions are covered in other strategies.

Why it's important

There are many reasons for providing this activity. The most obvious is that understanding the past contributes to people's sense of shared heritage and identity as residents of the city and as members of particular groups or families. History can contribute to our sense of pride in the city, and our sense that we all have a stake in its future.

Wellington has a rich history. It was one of New Zealand's first colonial settlements, an early site of conflict between Maori and Pakeha. It's been battered by the forces of nature. It's also been the capital city since 1865 and was the first site of local government in New Zealand.

The City Archives is a guardian of Wellington's memory. It preserves and makes available a huge range of primary information about the city's history. This is valuable for historians, genealogists, students and other members of the public. It is also valuable for businesses and property owners; for instance, building records held at Archives are important for anyone planning or carrying out building work.

We also have obligations under the Public Records Act. The Council is required to retain much of the information that it produces. The City Archives is the repository for that information.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellingtonians will celebrate their unique cultural identity,' and 'Information required by citizens and groups will be easily accessible, to enable participation in the community.'

What we'll provide – our level of service

The archives are a rich resource for both the Council and the public. While much of the material relates to the Council, the Archives also holds records relating to some of the city's earliest European settlers, from the 1940 New Zealand Centennial Exhibition, and from many companies and organisations that have shaped the district.

In addition to documents, the collection contains historic Wellington maps, photographs and building plans dating back to 1892. The make-up of the overall collection is guided by our

policies on retention and disposal. Our aim is to retain items of permanent value or where we are required to hold them by law.

The City Archives are accessible to members of the public and our archivists are available to help with enquiries. As with any form of research the speed at which enquires can be addressed depends on the nature of the request. We agree timeframes before starting the searches.

Our key project over the next three years is to improve ease of access by adding more of our collection online. Our database now contains more than 400,000 records concerning Wellington's history and development. These can be viewed via our website www.Wellington.govt.nz.

We plan to hold the community collections at current levels in favour of meeting our growing obligations under the Public Records Act. We'll also be exploring opportunities to secure external funding for Archives – aspects of the work could be eligible for lotteries grants. Both steps will reduce costs that would otherwise be paid for by rates.

How we'll measure our levels of service and performance

We'll know we're succeeding when more of the collection can be accessed online and this work is matched by most residents (77% in 2008) continuing to think that Wellington's local identity – its sense of place – is appropriately valued and protected. We'll use the following performance measures to monitor our progress.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|--|--|--|--|--|--|--|
| STRONGER SENSE OF PLACE | • Resident perceptions that Wellington's local identity (sense of place) is appropriately valued and protected | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | PERFORMANCE TARGETS | | |
| We provide the Wellington City Archives with an aim to preserve and provide access to an extensive collection of historical material about the city. | Satisfaction with City Archive services and facilities | New measure | 90% | 90% | 90% | 90% |
| | City Archives – users accessing archives resources | Physical visitors 5,520 Online users 14,461 | Physical visitors 5,500 Online users 14,500 | Physical visitors 5,500 Online users 14,500 | Physical visitors 5,500 Online users 14,500 | Physical visitors 5,500 Online users 14,500 |
| | Items added to the City Archives online database | 65,000 items | 65,000 items | 65,000 items | 65,000 items | 65,000 items |
| | Compliance with National Archives Standards | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 4.2.1 City Archives | 10% | - | 90% | 90% | - | - | - |

The Archives are free to view but there are modest charges for photocopying and research requests. For more information on how activities are funded see our Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 4.2 Heritage | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 4.2.1 City Archives | (233) | 1,623 | 1,390 | - |
| 2009/10 4.2 Total | (233) | 1,623 | 1,390 | - |
| 2010/11 4.2 Total | (240) | 1,608 | 1,368 | - |
| 2011/12 4.2 Total | (247) | 1,637 | 1,390 | - |
| 2008/09 4.2 Total | (226) | 1,611 | 1,385 | 68 |

4.3 COMMUNITY ARTS AND CULTURAL SUPPORT

What's included here

We aim to foster an environment where Wellington's creative communities can thrive. A key focus for future years is to ensure the city's increasingly diverse population can participate in and share experiences that reflect their beliefs, heritage and contemporary culture.

Towards this aim we plan to provide:

- Cultural grants to support community-based arts and cultural organisations and initiatives.
- Access and support for community arts through subsidies to use the Wellington Convention Centre and exhibition spaces.
- A wide range of arts and cultural festivals in partnership with communities.

Why it's important

A thriving local arts and festival scene is important in many ways. It ensures there's always plenty to see and do, and that the city's atmosphere is lively, vibrant and eventful. It also provides other benefits, such as the chance to celebrate Wellington's many cultures. By sharing our experiences through art and performance, we'll build stronger, more cohesive communities.

Community festivals and events offer low cost opportunities for people to come together and enjoy themselves. They take on growing importance in times of economic downturn.

Supporting grass roots artists and groups is also important for the role they play in stimulating interest in professional arts activity. The combination (see 4.4 Arts partnerships) adds to Wellington's credentials as the country's leading creative and cultural centre.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellingtonians will celebrate their unique cultural identity', 'Wellington will be recognised as New Zealand's arts and culture capital, encouraging visual and performing arts', 'Wellington will be a dynamic and multicultural city that respects and celebrates cultural diversity' and 'Tangata whenua and our multicultural diversity will be recognised and valued, and reflected in our city's culture.'

What we'll provide – our level of service

Over the next three years we plan to provide:

- Over \$700,000 per year in cultural grants. These will be split between one-off grants for special projects that meet our criteria and longer-term grants that contribute to our strategic objectives. Current recipients of the longer-term grants include: the Fringe Festival; Katherine Mansfield's Birthplace; Wellington Professional Theatres; and Wellington Vector Orchestra. These are reviewed at regular intervals.
- Community groups with subsidised access to the Wellington Convention Centre for their performances and events. The number of groups that are assisted by the subsidy can vary

from year to year. We aim to support as many groups as possible within our budgetary limits.

- Access to rehearsal, meeting and exhibition spaces and arts programmes at Toi Poneke – the Wellington Arts Centre. (See also 4.4 Arts partnerships.)
- Over 200 community festivals and events (70+ per year). We'll offer a year round calendar of events with more in summer to make use of the better weather. The festivals range in size and are diverse in nature. Many of them have been developed over time and provide a focal point for different cultures. The Diwali Festival of Lights, the Pacifika festival and celebrations for the Chinese New Year are examples. We'll also commemorate Waitangi Day and provide public entertainment events such as Summer City, the Teddy Bears Picnic, the Santa Parade and Carols at the Basin. Public sports events will include Culture Kicks – an annual community football tournament and Beach Volleyball. Over 700,000 people attend the festivals and events each year. We want to retain this high level of participation.

How we'll measure our levels of service and performance

We'll know we're succeeding when high participation rates continue to be matched by high levels of Wellingtonians (94% in 2008) and New Zealanders (82%) agreeing that the city has a culturally rich and diverse arts scene. We'll use the following performance measures to monitor our progress.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|--|---|---|--|-----------|-----------|-----------------|
| MORE EVENTFUL MORE INCLUSIVE | | <ul style="list-style-type: none"> • Events held at key city venues • New Zealander and resident perceptions that 'Wellington is the arts capital of New Zealand' • New Zealander and resident perceptions that 'Wellington is the events capital of New Zealand' • National arts and cultural organisations, professional and amateur theatre groups based in Wellington | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We support a wide range of arts and cultural festivals and provide cultural grants to support community-based arts and cultural organisations and initiatives. We also subsidise use of the Wellington Convention Centre and exhibition spaces. | Satisfaction with Council supported arts and cultural festivals | 93% | 90% | 90% | 90% | 90% |
| | Arts and cultural festivals estimated attendance | 740,000 | 740,000 | 740,000 | 740,000 | 740,000 |
| | Arts and cultural festivals supported | 74 festivals | No target – we seek to support as many worthwhile festivals as possible within budget constraints | | | |
| | Venues Subsidy – Community groups that access the Convention Centre via the subsidy | 34 groups | 35 groups | 35 groups | 35 groups | 36 groups |
| | Cultural grants – Number of applicants; number of successful applicants; total budget allocated | Total applicants 107 / Successful applicants 73 | No target – we seek to support as many worthwhile initiatives that contribute to the cultural well-being of Wellington city and its people in accordance with eligibility criteria and budget constraints. | | | |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|----------------|
| 4.3.1 Arts and cultural festivals | - | 20% | 80% | 80% | - | - | - |
| 4.3.2 Cultural grants | - | - | 100% | - | 100% | - | - |
| 4.3.3 Access and support for community arts | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 4.3 Community Arts and Cultural Support | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 4.3.1 Arts and cultural festivals | (398) | 2,070 | 1,672 | - |
| 4.3.2 Cultural grants | - | 738 | 738 | - |
| 4.3.3 Access and support for community arts | - | 572 | 572 | 63 |
| 2009/10 4.3 Total | (398) | 3,380 | 2,982 | 63 |
| 2010/11 4.3 Total | (410) | 3,386 | 2,976 | 65 |
| 2011/12 4.3 Total | (422) | 3,446 | 3,024 | 66 |
| 2008/09 4.3 Total | (352) | 3,078 | 2,726 | 42 |

4.4 ARTS PARTNERSHIPS

What's included here

Our aim is for Wellington to be recognised as New Zealand's arts and culture capital – this depends on the quality and breadth of its professional arts scene.

Towards this aim we plan to provide:

- support to the country's premier arts and cultural event – the New Zealand International Arts Festival
- venues such as Toi Poneke – Wellington Arts Centre and build and maintain partnership with professional arts organisations
- advice and support to arts groups and practitioners so that they can achieve their creative potential
- funding for public art
- support in many other ways wherever possible, for example by facilitating street closures, consents for projects and promoting cultural activity.

Why it's important

Our arts partnerships ensure Wellington retains its reputation as New Zealand's arts and culture capital by continuing to be home to top-class orchestras, dance and theatre companies. This contributes to the city's 'sense of place' and to the full range of arts and entertainment events on offer.

The wide range of arts activity we support provides entertainment for residents and visitors alike, and contribute to the economy by bringing people to the city. The Arts Festival in 2008, for example, sold about 130,000 tickets – a quarter to people outside the Wellington region – and had an economic impact of \$22.7 million.

Sustaining these partnerships will be important throughout the economic downturn. Many of them have been developed over a long period of time – they would be difficult to replace. The strength of the partnerships goes well beyond the direct support the Council might offer. They can only thrive in a city that supports the arts as a whole. Wellington's central city precincts, knowledgeable and enthusiastic audiences, committed sponsors coupled with the critical mass of creative people, together generate the unique cultural dynamic that sets our city apart.

The Council's support acts as a catalyst for the professional institutions to draw sponsorship from other places. These partnerships provide stability and certainty, meaning that sponsors can have greater confidence that their commitment is valuable – that the shows will be of high-quality and attract audiences.

The creation of Toi Poneke, the commitment to the installation of public artworks in recent years and our efforts to increase dialogue and collaboration within the arts community, demonstrate the Council's commitment to working in partnership with and securing the long-term future of, the arts sector in Wellington.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellingtonians will celebrate their unique cultural identity', 'Wellington will be recognised as New Zealand's arts and cultural capital, encouraging visual and performing arts', 'Wellington will have venues that suit a wide range of events and reflect the needs of the city', and 'Wellington will be a dynamic and multicultural city that respects and celebrates cultural diversity'.

What we'll provide – our level of service

The Council provides funding and plays a facilitation role to foster the arts and strengthen Wellington's status as the arts and culture capital.

Specific activities include:

- An annual grant to the NZ International Arts Festival. Held every two years the country's premier arts festival attracts world class dance and opera companies, performers, singers, visual artists and theatre groups. A feature in recent years is the writers and readers week. It provides a rare opportunity to experience a line up of literature's luminaries for discussions, debates and readings. The festival generates substantial funding from sponsors and ticket sales but it also offers a range of free events in the city. The next festival is scheduled for autumn 2010.

The NZ International Arts Festival Trust has identified increased costs going forward and there is pressure not to increase ticket prices in the current economic climate, and sponsorship is also becoming increasingly competitive. As a well loved festival, attracting thousands of visitors to the city, contributing to our reputation as a vibrant and eventful place and bringing significant economic benefits, it is important that the festival continues to operate sustainably into the future. We have agreed additional funding of \$200,000 per year (to \$950,000) for the next three years, at which time we will review how well the sponsorship market has recovered and our level of funding support for the future.
- Working with Cuba Street Carnival and the Fringe Festival to merge into the Creative Capital Trust. We have provided additional funding of \$75,000 for the establishment of the new parent Trust, and for it to deliver the Cuba Street

Carnival and the Fringe Festival as well as provide leadership and a professional arts management role for artistic, cultural and creative events in Wellington. It is anticipated that the merger will deliver economies of scale through the shared use of staff, office accommodation and systems and marketing channels as well as creating a greater focus on developing sponsorship and external funding that will produce benefits to both events.

- Operation of the Toi Poneke, Arts Centre which provides office, studio, meeting, rehearsal and exhibition spaces artists and arts organisations. Our City Arts team manages Toi Poneke and plays a key facilitation role for the city's arts and culture sector.
- Providing a home for the New Zealand Symphony Orchestra in the Wellington Convention Centre, and support the St James Theatre Charitable Trust (we provided them a loan for a new 'flying system' for moving props and sets on stage at the Opera House).

In recent years we've provided a public art fund aimed at increasing the number of public art works around the city. This has been effective – Max Patte's *Solace in the Wind* on the waterfront to the wind sculptures along Cobham Drive – the city's landscape is brighter with the number of additional artworks on display.

Given this success and our existing commitment to completing *Te Matau a Maui – the Hook of Maui and Receding Waters* (see below) we will reduce our overall funding of public art activity for the next three years. This would see a reduction in funding from \$300,000 to \$100,000 until 2012. The Council would still provide funding to the Wellington Sculpture Trust and for a limited number of projects, including exhibitions in the Courtenay Place Park light boxes, through its Public Art Fund. It is proposed that the Public Art Panel would continue to operate through this period and provide independent advice to the Council on its public art activity. This approach will save \$600,000 on what we had previously forecasted.

One of the highlights in the coming years will be the installation of *Te Matau a Maui – the Hook of Maui and Receding Waters*, a dramatic sculptural gateway to central Wellington from the north. The 35 metre high sculpture is inspired by traditional whalebone fish hooks and depicts the widely known Maui creation story. By day, the glass-fibre sheathing will be coloured to give the appearance of bone. Solar-powered cells near the top of the sculpture will generate electricity to help light the sculpture by night. The selection and commissioning process was led by the Wellington Sculpture Trust. The Council has already provided about half of the \$1.3 million project. The rest was donated by private-sector contributions, trusts and in-kind contributions.

We also plan to establish an Arts Hub within the Toi Poneke Arts Centre in Abel Smith Street. This will be the 'one stop shop' for information on arts activity in the city. Wellingtonians wanting to get involved in the arts will be able to find out about groups they can join and classes they can take. Those looking to further their career in the arts will be able to get advice on their next steps, find out about opportunities and get connected with others working in the arts. It will cost \$50,000 in 2009 /10 to establish the hub. This is a one-off cost with its ongoing costs met from within existing budgets.

How we'll measure our levels of service and performance

We'll know we're succeeding when the variety of arts on offer continues to be matched by high levels of Wellingtonians (77% in 2008) and New Zealanders (63%) agreeing that the city is the country's arts capital.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|---|--|--|--|--|--|
| MORE ACTIVELY ENGAGED | <ul style="list-style-type: none"> Resident frequency of engagement in cultural and arts activities Businesses and employees engaged in the arts and cultural sector New Zealander and resident perceptions that 'Wellington has a culturally rich and diverse arts scene' | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We support the New Zealand International Arts Festival and provide Toi Poneke – Wellington Arts Centre which makes available studio space for established and emerging artists.</p> <p>We provide a public arts fund aimed at increasing the number of art works around the city.</p> <p>We also hold a key facilitation role for the city's arts and cultural sector.</p> | Customer (%) satisfaction with the NZ International Festival of the Arts | New measure | 90% | No festival | 90% | 90% |
| | Total tickets sold to the NZ International Festival of the Arts and proportion sold to customers outside the region | 130,000 and 24% outside region | 130,000 and 30% outside the region | No festival | 130,000 and 30% outside the region | 130,000 and 30% outside the region in festival years |
| | Economic contribution (\$) the NZ International Arts Festival makes to the city's economy (new spend) | \$22.7m | At least \$20m | No festival | At least \$20m | At least \$20m in festival years |
| | Public art projects (#) delivered through the Public Art Fund | 9 projects | 6 projects | 6 projects | 6 projects | 6 projects |
| | User (%) satisfaction with Toi Poneke facilities and services | New measure | 85% | 85% | 85% | 85% |
| | Toi Poneke usage | | | | | |
| | <ul style="list-style-type: none"> Artists in studio Organisations / businesses based at facility | 68 13 | 40 20 | 40 20 | 40 20 | 30 10 |
| <ul style="list-style-type: none"> Occupancy – casual rooms, studios, tenancy | Casual rooms 39% Studios 99% Tenancy 95% | Casual rooms 60% Studios 99% Tenancy 95% | Casual rooms 65% Studios 99% Tenancy 95% | Casual rooms 65% Studios 99% Tenancy 95% | Casual rooms 70% Studios 99% Tenancy 95% | |

How we manage our assets that support this activity

The Wellington Arts Centre buildings are leased. A major upgrade was completed during 2004/05 to make the buildings suitable for occupation by artists and commercial tenants from the creative sector. No significant upgrades or renewals are planned in the foreseeable future. The current lease of

Toi Poneke expires in 2015. At that time we will review the current types of accommodation provided and complete an assessment of future needs of users of the centre (for instance we'll look at the availability of rehearsal space in the market place).

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 4.4.2 Arts partnerships (professional) | - | 25% | 75% | 75% | - | - | - |

User charges cover the costs of hiring space at the Arts Centre. For more information on how activities are funded see our Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 4.4 Arts Partnerships | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 4.4.2 Arts partnerships (professional) | (502) | 1,879 | 1,377 | - |
| 2009/10 4.4 Total | (502) | 1,879 | 1,377 | - |
| 2010/11 4.4 Total | (517) | 1,905 | 1,388 | - |
| 2011/12 4.4 Total | (533) | 1,952 | 1,419 | - |
| 2008/09 4.4 Total | (497) | 2,581 | 2,084 | - |

Note that the \$950,000 annual grant to the New Zealand International Festival of the Arts is funded from the Events Development Fund (see Economic development).

10-year Financial Projections – Cultural well-being

Operational Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|----------------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 6,498 | 4.1 | Galleries and museums | 7,143 | 8,075 | 8,382 | 8,542 | 8,684 | 8,826 | 8,985 | 9,151 | 9,326 | 9,521 |
| 1,611 | 4.2 | Heritage | 1,623 | 1,608 | 1,637 | 1,688 | 1,705 | 1,719 | 1,762 | 1,805 | 1,852 | 1,910 |
| 3,078 | 4.3 | Community arts and cultural support | 3,380 | 3,386 | 3,446 | 3,514 | 3,573 | 3,634 | 3,710 | 3,782 | 3,857 | 3,949 |
| 2,581 | 4.4 | Arts partnerships | 1,879 | 1,905 | 1,952 | 2,236 | 2,298 | 2,353 | 2,119 | 2,172 | 2,224 | 2,288 |
| 13,768 | | Total Operating Expenditure | 14,025 | 14,974 | 15,417 | 15,980 | 16,260 | 16,532 | 16,576 | 16,910 | 17,259 | 17,668 |
| - | | Less: Non-funded Depreciation | - | - | - | - | - | - | - | - | - | - |
| 13,768 | | Total Operating Expenditure to be funded | 14,025 | 14,974 | 15,417 | 15,980 | 16,260 | 16,532 | 16,576 | 16,910 | 17,259 | 17,668 |
| Operating expenditure funded by: | | | | | | | | | | | | |
| 783 | | Direct activity income | 791 | 815 | 839 | 865 | 891 | 917 | 957 | 986 | 1,016 | 1,046 |
| 9,580 | | General Rates | 10,368 | 11,050 | 11,381 | 11,867 | 12,075 | 12,274 | 12,227 | 12,477 | 12,740 | 13,058 |
| 3,113 | | Targeted Rates | 2,524 | 2,757 | 2,834 | 2,874 | 2,909 | 2,945 | 2,984 | 3,026 | 3,070 | 3,118 |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| 292 | | Other Income | 342 | 352 | 363 | 374 | 385 | 396 | 408 | 421 | 433 | 446 |
| 13,768 | | Total Funding for Operational Expenditure | 14,025 | 14,974 | 15,417 | 15,980 | 16,260 | 16,532 | 16,576 | 16,910 | 17,259 | 17,668 |

Capital Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|--------------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2,900 | 4.1 | Galleries and museums | 1,100 | - | - | - | - | - | - | - | - | - |
| 68 | 4.2 | Heritage | - | - | - | - | - | - | - | - | - | - |
| 42 | 4.3 | Community arts and cultural support | 63 | 65 | 66 | 68 | 70 | 71 | 73 | 75 | 77 | 79 |
| 3,010 | | Total Capital Expenditure | 1,163 | 65 | 66 | 68 | 70 | 71 | 73 | 75 | 77 | 79 |
| Capital expenditure funded by: | | | | | | | | | | | | |
| 353 | | Depreciation | 368 | 285 | 276 | 267 | 241 | 209 | 199 | 195 | 195 | 184 |
| 1,006 | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| - | | Development Contributions | - | - | - | - | - | - | - | - | - | - |
| 1,651 | | Borrowings and working capital* | 795 | (220) | (210) | (199) | (171) | (138) | (126) | (120) | (118) | (105) |
| 3,010 | | Total Funding for Capital Expenditure | 1,163 | 65 | 66 | 68 | 70 | 71 | 73 | 75 | 77 | 79 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

SOCIAL AND RECREATION



Introduction

This provides a succinct outline of the key challenges we face, our long term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those.

5.1 Libraries

This activity covers our central library and 11 branch libraries. We outline what we do, provide context as to why it's important, and detail the budget and performance measures for this area.

5.2 Recreation promotion and access

This activity covers the relationship we have with our recreation partners, our work to encourage access to our recreational facilities and programmes. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

5.3 Recreation services

This activity covers swimming pools, sports fields, synthetic turf sportsfields, recreation centres, playgrounds, and marinas. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

5.4 Public health and safety

This activity covers our cemeteries, public toilets, public health regulations (food/dogs), city safety work, and the Wellington emergency management office. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

5.5 Housing

This activity covers our work in providing social housing. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

5.6 Community participation and support

This activity covers our work to support the homeless, community advocacy, social and recreational grants, community centres and halls, and community ICT access. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | | |
|---|---|--|
| OUR AIM ▶ | <i>Strong, safe, healthy communities</i> | |
| WHAT WE DO TO SUPPORT OUR AIM | 5.1 Libraries 5.2 Recreation promotion and access 5.3 Recreation services | 5.4 Public health and safety 5.5 Housing 5.6 Community participation and support |
| CHALLENGES WE FACE | <ul style="list-style-type: none"> ■ Balancing rising demand and resident expectations against pressure on costs to ratepayers. ■ Meeting the needs of a population that is ageing and becoming more diverse. ■ Maintaining the city's existing strengths such as safety, strong communities, open and tolerant attitudes, and high quality of life. | |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none"> ■ Promoting strong, safe, healthy communities is based on ensuring the infrastructure and services are in place to meet resident and community needs. ■ Many organisations contribute to residents' health and safety, and to community strength. The Council's approach is to support those agencies by playing a facilitation role, and to provide facilities and services where those organisations do not meet community needs. | |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none"> ■ Promoting participation in sport and recreation activities – we must ensure our services can be accessed by the whole community. ■ Facilitating tolerance and inclusiveness. ■ Encouraging community based groups to share the responsibility for delivering programmes and services. ■ Increasing our advocacy role. | |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none"> ■ When the number of Wellingtonians who use library services and the number of items issued continue to meet our performance targets. ■ When the number of recreation programmes, and participation rates in our programmes continue to achieve performance targets. ■ When resident participation in physical activities continues to increase. ■ When city safety issues which have been rated as of concern by residents reduce; and when our emergency partners are satisfied with our preparations. | |



Safe, resilient, healthy communities

Introduction

Wellington is:

- a city with strong communities
- one of New Zealand's safest cities
- a city that celebrates diversity
- a city that offers a wide range of opportunities for outdoor recreation and healthy lifestyles.

Wellingtonians on average have high levels of educational achievement and enjoy above average incomes and very high quality of life.

The challenges we face

As a service provider, the Council has to balance rising demand and residents' expectations against pressure on the costs to ratepayers.

As a community we also need to reflect on how our behaviours change over time and what that means for the services that we need and how these should be provided. Our sense of community goes well beyond our neighbourhoods. The places and ways we socialise are different to what they once were. For example, we're more likely to meet in a café or celebrate at a local restaurant or bar than we are at a local hall. The way we think about and discuss these changes as a community will be important in the coming years.

The city must also cater to the needs of a population that is ageing and becoming more diverse.

Other challenges are to maintain the city's existing strengths such as safety, strong communities, open and tolerant attitudes, and high quality of life.

Recreation is an important part of that. It provides health benefits and a focus for people to come together. Our challenge is to not only encourage uptake but to also manage patterns of use and changing demand to ensure we are making the most of the finite resources we have.

The long term approach

Wellington City Council's long term approach to promoting strong, safe, healthy communities is based on ensuring the infrastructure and services are in place to meet resident and community needs.

Many organisations contribute to residents' health and safety, and to community strength. The Council's approach is to support those agencies by playing a facilitation role, and to provide facilities and services where those organisations do not meet community needs (for example in housing, some recreation facilities, and libraries).

For example, a key aspect of ensuring a high quality of life in the city is the partnerships needed to deliver recreation opportunities. Sport clubs, administrators and volunteers are all critical to that and we want to work alongside them to ensure that people can take up those opportunities.

Supporting policies

More detailed information about the Council's approach to social well-being is available in the Council's Engagement Policy, Gambling Venues Policy, Community Facilities Policy, Homelessness Strategy, ICT Policy, and Library Policy. Our public health role is supported by our Dog Control Policy. These are all available from www.Wellington.govt.nz. The Council is also a partner in the Wellington Regional Settlement Strategy which aims to ensure that the region supports and welcomes newcomers to the region.

Links with other strategies

The Council's Urban Development, Transport and Environment Strategies all support social well-being by providing an environment that fosters strong, safe, healthy communities. Community strength, for example, requires efficient transport and urban design so that people can easily meet and share interests, and health and safety require key infrastructure such as water supply and waste management.

KEY FACTS

| | |
|---|--------------|
| Estimated population of Wellington city (June 2008): | 192,800 |
| Percentage of residents who rate their quality of life as good or very good (Quality of Life survey): | 95% |
| Number of items issued from Wellington libraries in 2007/08: | 3.27 million |
| Percentage of residents who spend 2½ hours a week or more on physical activity: | 73% |
| Percentage of residents who have an emergency kit where they live: | 51% |
| Percentage of residents who feel the community works together and people support each other: | 79% |

Negative effects

Our social well-being activities are often delivered through buildings and other assets such as swimming pools and recreation centres. There are negative effects from owning and managing buildings and other assets. This includes: waste (solid, liquid); direct energy use to operate the building; indirect energy use from people using transport to access the building/facility; the embodied energy of materials (lifecycle costs e.g. the environmental cost of importing materials).

We seek to minimise these negative effects by ensuring our operations are managed effectively and that waste is minimised or recycled and energy and water is conserved. We also encourage the use of public transport and alternative modes of transport to the private motor vehicle such as walking and cycling as a means of getting around the city.

Our swimming pools pose the additional risks of drowning. We manage this through a number of steps, most notably through the continuous presence of trained lifeguards. We also offer learn to swim programmes.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ MORE LIVEABLE

Wellington will be a great place to live, work and play, offering a stimulating and high quality range of community amenities and services, including affordable housing.

The Council contributes by supporting community and recreation opportunities, for example through provision of services such as libraries, community centres, pools, sports fields, housing and playgrounds. These include a range of programmes aimed at children and youth to ensure they share in what the city has to offer.

We measure progress towards this outcome by monitoring perceptions around 'quality of life' and the percentage of residents who think the city offers a wide range of recreational activities.

■ MORE INCLUSIVE

Wellington's diverse population will be supported and embraced by a tolerant, caring and welcoming community.

The Council contributes to this outcome by providing services that cater for diverse needs, and support expression of identity. Inclusion is also supported through the Cultural well-being and Governance strategic areas.

We measure progress towards this outcome by monitoring perceptions around cultural diversity.

■ **MORE ACTIVELY ENGAGED**

Wellington residents will be actively engaged in their communities, and in recreation and leisure activities.

The Council supports this outcome through provision of services such as sport and recreation facilities, community halls and centres, and libraries.

We measure progress towards this outcome by monitoring the number of residents using recreation facilities and the percentage of residents who believe there are barriers to participation.

■ **BETTER CONNECTED**

Wellington will offer excellent access to a sound social infrastructure that supports high level social cohesion.

The Council offers subsidised entry schemes to its recreational facilities and social housing at below market rates. We also work to ensure that the services we offer are accessible: that they provide for the needs of our disabled residents.

We measure our progress towards this outcome by monitoring the number of residents that feel a sense of community with their local neighbourhood.

■ **HEALTHIER**

Wellington's population will enjoy a healthy lifestyle with high standards of public health.

The Council supports this outcome by providing public toilets and other facilities necessary for public health, by regulating and monitoring food sales, through animal control, and by providing a wide range of opportunities for people to live healthy lifestyles.

We measure progress towards this outcome by monitoring the proportion of residents who undertake more than 2.5 hours of physical activity per week. We ensure compliance with our regulatory role to ensure public health.

■ **SAFER**

Wellington will offer a safe living environment, where people feel safe.

The Council supports this outcome by working with the Police and other agencies that influence city safety, by regulating and monitoring liquor sales, and by managing and preparing for civil defence risks.

We measure progress towards this outcome by monitoring the number of crimes recorded in the city and resident perceptions of safety in the city at various times during the day. We'll also work to retain our World Health Organisation Safe City designation.

Our focus for the next three years

The way we respond to or current challenges will be important over the next three years. Our key focus will be on:

- Promoting participation in sport and recreation activities. As the city's biggest provider of recreation facilities, the Council aims to promote healthy lifestyles. This is becoming increasingly important with growing rates of obesity and sedentary lifestyles. It is important that we ensure our services can be accessed by the whole community and that the facilities we provide are used throughout the day – not just at peak times. This means promoting low cost and free activities and ensuring that Wellington's occasional inclement weather doesn't impede people's need to get active.
- Facilitating tolerance and inclusiveness. Social disparities tend to increase during times of economic uncertainty and these can raise the risk of less tolerance within the community. We'll continue to use our festivals as a positive catalyst to create understanding of diversity and tolerance. We'll also encourage community based groups to share the responsibility for delivering programmes and services. We'll provide leadership, facilitation and in some case resources to support community capacity building.

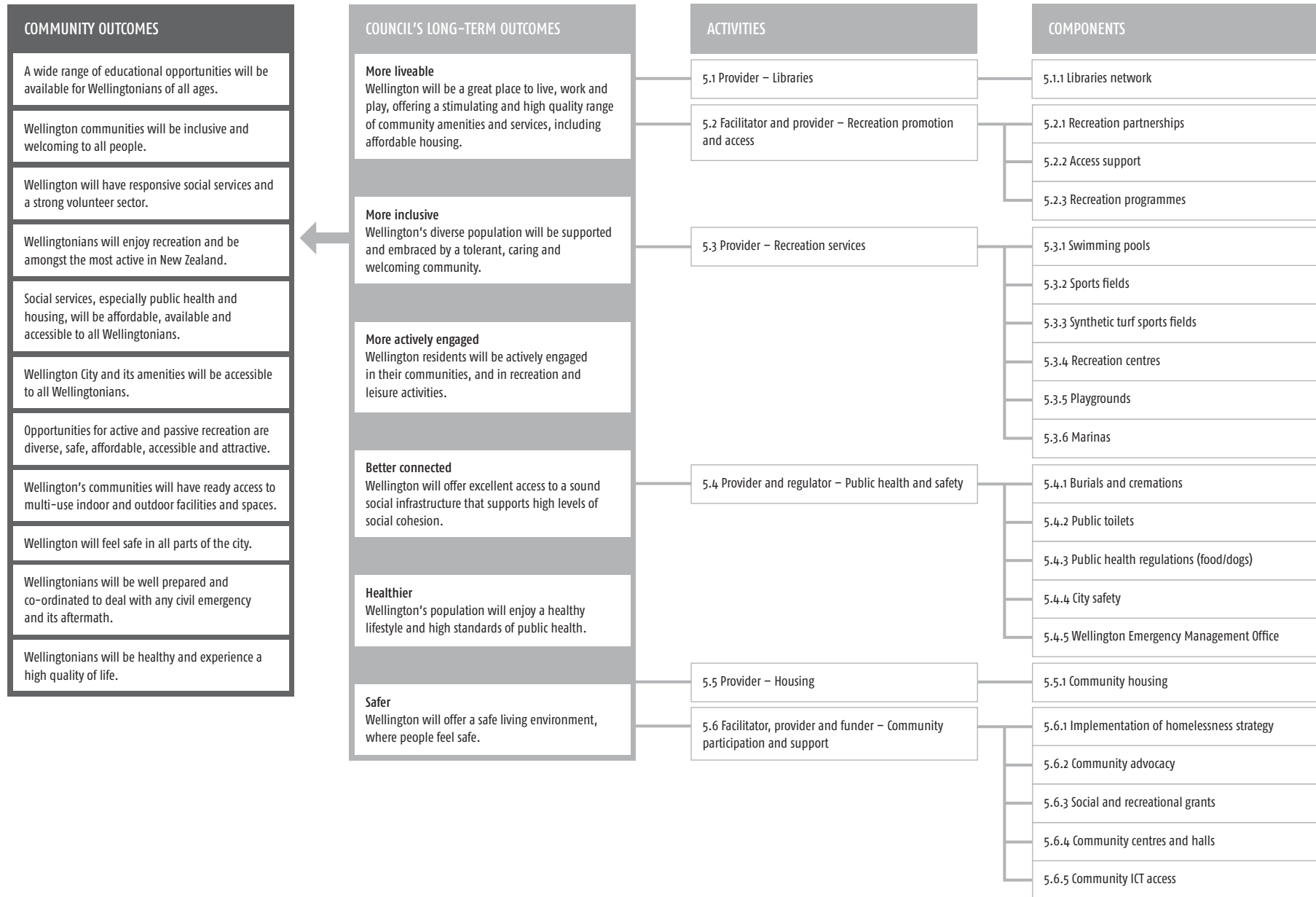
- Increasing our advocacy role. Economic uncertainty can also place strain on households and individuals. Those strains can lead to a sense of disconnection and even affect people's safety and sense of safety. There are often several agencies (in particular central government) with an interest and resources to work towards solutions to these complex issues. By increasing our understanding and knowledge of the communities and agencies that contribute to the city we will be better placed to advocate on their behalf.

Our investment in the city

In the next three years we plan to spend \$273.998 million in operating expenditure and \$146.883 million on capital projects in this area.

Over the next few pages, we provide detailed information about our activities in this area, what they cost, who we think should pay, and the other measures we use to monitor our performance.

STRATEGY TREE – SOCIAL AND RECREATION



5.1 LIBRARIES

What's included here

Our aim is for the city's libraries to be more than just places to borrow books. We want our libraries to be neighbourhood institutions that anchor community life and bring people together.

We provide a network of libraries including the central library and 11 branch libraries across the city. We provide books, music, audio-visual material, magazines, specialist collections, New Zealand and government information, internet services, and a variety of outreach programmes including services to schools and to the housebound.

Why it's important

Libraries are places to read, listen, find information, and get together. They enhance cultural well-being by providing access to books, music, magazines and information, and perform a heritage role by collecting and maintaining information of interest and importance to Wellington. They also enhance social connectedness by ensuring people have access to information resources and providing focal points for community events. The importance of this may increase with the economic downturn as people seek out free and low cost options for entertainment.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Information required by citizens and groups will be easily accessible to enable participation in the community', 'Wellington will have venues that suit a range of events and

reflect the needs of the city.' 'Wellingtonians will celebrate their unique cultural identity,' and 'Opportunities for active and passive recreation in Wellington will be diverse, safe, affordable, accessible and attractive.'

What we'll provide – our level of service

We plan to provide:

- Access to over 600,000 books, 450,000 magazines, and 85,000 CDs, DVDs, videos and other items through our central library and 11 branch libraries. The central library is our largest, with a substantial collection of reference information and a large and frequently updated selection of books, magazines and audio-visual material. Our suburban branch libraries offer a similar range but on a smaller scale.
- A variety of outreach programmes including services to schools and to the housebound to ensure that the benefits of the library can be experienced by everyone.
- A Migrant Communities Library Guide in over 20 different languages online. We also have a dedicated staff member to liaise with these groups to encourage people from all different backgrounds to make use of our library facilities.
- Free audio tours of the central library for new customers to find their way around and experienced staff on hand to help find what is being looked for. We also offer 24 hour access to a substantial online catalogue. This allows you to reserve a book, view lists of new items and find information on popular topics. It includes a portal at www.wcl.govt.nz/mygateway/ that enables library members to search authoritative databases and thousands of New Zealand and international newspaper and magazine articles.

We'll also offer a range of library programmes designed to introduce children to the pleasure of reading. These include events such as our free Storytime aimed at three and four year olds, and baby bounce and rhythm sessions. We also provide spaces for young adults to showcase their artworks and a variety of holiday programmes.

Within the **next three years** we'll investigate the appropriate mix of library and other community services across the city. We'll explore the benefits, and the risks, of providing these services from a 'shared platform.' This work is prompted by changing patterns in the use of libraries – i.e. people are making greater use of online resources – and the important role that libraries and other community spaces play in local areas. We plan to engage local communities in this debate to ensure that the most appropriate mix of services is provided in the long-term.

As with all of our activities, we have looked at ways we can reduce our costs without unduly impacting the overall outcomes we seek. For libraries this means saving \$180,000 a year by doing some things differently. These include reducing publicity materials, administration and security and replacing the returns desk in the Central Library with return slots. We have also deferred computer and library furniture upgrades for three years to save \$280,000 a year for three years. We had considered reducing library hours or spending less on library books but in response to community feedback have favoured the other options.



The locations of our libraries are detailed in the map below:

Key

- | | |
|--------------------------|------------------------------|
| 1. Mervyn Kemp (Tawa) | 7. Karori |
| 2. Johnsonville | 8. Brooklyn |
| 3. Khandallah | 9. Newtown |
| 4. Cummings Park (Ngāio) | 10. Ruth Gotlieb (Kilbirnie) |
| 5. Wadestown | 11. Miramar |
| 6. Central | 12. Island Bay |

How we'll measure our level of service and performance

We'll know the library network is effective when user numbers and satisfaction levels remain high. Other measures we'll use are detailed in the table below.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|------------------------------------|---|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| BETTER CONNECTED | | <ul style="list-style-type: none"> Resident usage of libraries (and frequency) Resident usage of WCC community and recreation facilities Resident perceptions that they feel a sense of community with others in their neighbourhood | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | PERFORMANCE TARGETS | | | |
| | | | | 2010/11 | 2011/12 | 2012/13–2018/19 | |
| | We provide a network of libraries throughout the city which provide opportunities to read, listen, find information and get together. | User (%) satisfaction with services and facilities | 95% | 90% | 90% | 90% | 90% |
| | | Residents (%) who are registered members | 67% | 68% | 68% | 68% | 68% |
| | | Residents (%) satisfaction with range and variety of collection | 82% | 85% | 85% | 85% | 85% |
| | | Libraries – physical visits and website visits | Physical 2.7m Website 1.5m | Physical 2.5m Website 2.0m | Physical 2.5m Website 2.0m | Physical 2.5m Website 2.0m | Physical 2.5m Website 3.0m |
| | | Library programmes – estimated attendees | 84k | 84k | 84k | 84k | 84k |
| | | Library items issued | 3.3m | 3.5m | 3.5m | 3.5m | 3.5m |
| | Residents (%) who agree that library services and facilities provide good value for money | New measure | 90% | 90% | 90% | 90% | |

How we manage our assets that support this activity

Library buildings are managed under our Civic and Commercial Asset Management Plan (Central Library) and branch libraries are managed under the Branch Libraries Asset Management Plan. The asset management plans set out performance, condition and customer service requirements. We aim to maintain existing levels of service. The Central Library is rated 'excellent' and the branch libraries are in good or fair condition.

We have renewal programmes in place to sustain these conditions.

The Khandallah Library is listed in our heritage building inventory and managed according to our Built Heritage Policy. This means that any significant alteration affecting the building's heritage qualities would require a resource consent.

Wellingtonians are high users of library services by world standards. In 2007 with 1.3 million visits, our Central Library attracted more visitors than the prestigious New York Public

Library (serving a population of 3.3 million with 1.1 million visits). Our branch libraries are also very popular.

While library visits are high, usage trends have been changing over the last two years with fewer library visits and issues per year while website visitor sessions have increased. Trends in usage are difficult to forecast but international evidence suggests that demand for recreational and informational reading available at libraries will continue despite changing technology and the increasing availability of electronic resources. We recently consulted key stakeholders on the future of library services (*Sparking Imagination: Wellington City Libraries 2008–2013*) and one of the key themes to emerge from customers was that "books are still paramount" indicating that broad demand, in the short-term, will continue for traditional library services such as reference, hard copy information and leisure reading provided in physical libraries.

As noted above, we are not planning any upgrades in the coming three years. This will be reviewed as part of area planning work.

WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|-------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.1.1 Libraries network | 10% | - | 90% | 90% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

WHAT IT WILL COST

| 5.1 Libraries | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|-------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.1.1 Libraries network | (2,290) | 22,601 | 20,311 | 1,922 |
| 2009/10 5.1 Total | (2,290) | 22,601 | 20,311 | 1,922 |
| 2010/11 5.1 Total | (2,360) | 23,356 | 20,996 | 2,007 |
| 2011/12 5.1 Total | (2,435) | 23,935 | 21,500 | 2,156 |
| 2008/09 5.1 Total | (2,212) | 21,942 | 19,730 | 2,251 |

5.2 RECREATION PROMOTION AND ACCESS

What's included here

Our aim is to provide access to sport and recreation opportunities – for people of all ages, abilities and circumstances – to enhance their health and well-being.

Our work in this area includes: providing dozens of sports, fitness and leisure programmes for children and adults, as well as informing residents about recreation opportunities through our website and guides.

We also provide subsidised access to our recreation programmes and facilities through our Leisure Card programme. The programme provides community services cardholders and all superannuitants with discounted access to our recreation centres, swimming pools, libraries, and recreation programmes.

Our work in this activity also includes liaising with national and regional sporting codes, and providing funding support to the Basin Reserve Trust to help ensure the iconic sports ground remains New Zealand's premier test cricket venue.

Why it's important

Access to recreation opportunities is important for people's health and well-being. Our recreation facilities provide a wide range of health and well-being benefits to the people who use them. Recreation and sport activities also bring people together, strengthening social cohesion, and by offering a wide range of facilities, the city becomes a more appealing place for people to live.

Contribution to community outcomes

Our recreation promotion and access activities contribute to the following community outcomes: 'Wellington's communities will have ready access to multi-use indoor and outdoor facilities and spaces'; 'Opportunities for active and passive recreation are diverse, safe, affordable, accessible and attractive'; and 'Wellingtonians will enjoy recreation and be amongst the most active in New Zealand'. This activity also enhances social cohesion by encouraging use of community facilities and ensuring people are not unfairly excluded.

What we'll provide – our level of service

We'll continue to provide a wide range of recreational, sport, fitness and leisure programmes across the city to encourage people to get out and be more active, more often. Our programmes include the annual Run Swim series, Stepping Out, Kids Kiwitri, the highly popular Dance Your Socks Off festival and many others that together attract tens of thousands of participants every year.

We'll offer Leisure Card holders reduced entry to our recreational facilities and programmes. The scheme is available to Community Services Card holders, people with physical disabilities, mental health consumers, Green Prescription referrals, and refugees. In June 2009 the Leisure Card scheme was extended to all of the city's superannuitants. We are currently monitoring use of facilities by superannuitants to consider the impact of extending the scheme. The scheme reduces cost as a barrier to participation in recreation by those

who otherwise might not be able to afford it and improves their health and well-being. Cardholders also get discounts at some non-Council facilities such as cinemas, theatres and video stores.

We'll host the Wellington Sports Forum each year. This event brings together national, regional and local sporting codes, clubs, recreational organisations and sporting enthusiasts in a workshop like environment to discuss demands on recreation facilities, trends in participation rates, and any proposals for enhancing recreation facilities and programmes that are being considered at that time.

We also provide ongoing funding to the Basin Reserve Trust to help ensure the iconic sports ground remains New Zealand's premier test cricket venue, and we will provide additional funding to establish practice wickets off the main field to allow for practice while a match is in progress (see also the Council Controlled Organisation section of this draft plan).

Our Sports Development Fund provides sports and active recreation clubs grants for them to access professional advice and support for programme development. We plan to continue the fund but at a reduced level. This reflects the fact that the grants have been undersubscribed and that clubs are able to apply for funds through the Social and Recreation grants pool. The Sports Development Fund will retain \$500,000 for allocation over the next ten years.

How we'll measure our levels of service and performance

We'll know we're succeeding when participation levels remain high. We'll use the following performance measures to monitor our progress.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|--|---|---|---|---|-----------------|
| BETTER CONNECTED MORE ACTIVELY ENGAGED | | <ul style="list-style-type: none"> Resident perceptions that Wellington offers a wide range of recreation activities Residents frequency of physical activity | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We encourage participation in recreation by providing sport, fitness and leisure programmes throughout the city, and through the Leisure Card, which provides discounted access to those who might not otherwise be able to afford it.</p> <p>We also host the Wellington Sports Forum to bring together national, regional and local sporting codes, clubs and organisations.</p> | Users of programmes: | | | | | |
| | • Recreation programmes (excl rec centres) | 72k | 59k | 59k | 59k | 80k |
| | • Recreation centre programmes | 130k | 130k | 130k | 130k | 200k |
| | • Learn to swim programmes (enrolments) | 15k | 15.8k | 15.8k | 15.8k | 16.6k |
| | • Aquatic education | 78k | 80k | 80k | 80k | 90k |
| • Leisure Card | 72k | 90k | 90k | 90k | 100k | |
| Resident (%) rating their ease (easy or very easy) to access WCC recreation facilities and programmes | 90% | 90% | 90% | 90% | 90% | |
| Sports Forums held and estimated attendance | 1 forum / 200 attendees | At least 1 forum / at least 200 attendees | At least 1 forum / at least 200 attendees | At least 1 forum / at least 200 attendees | At least 1 forum / at least 200 attendees | |
| Sports development fund grants – number of applicants; number of successful applicants; total budget allocated to grants | Total applicants 13 / Successful applicants 10 | No target – monitoring capacity only We aim to support initiatives that contribute to sports development in accordance with eligibility criteria. | | | | |

How we manage our assets that support this activity

There are no assets for this activity. For assets relating to recreation facilities please see Activity 5.3 Recreation services. The Basin Reserve Trust is currently preparing an asset management plan for the Basin Reserve and this will be completed by early 2010.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|-------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.2.1 Recreation partnerships | - | - | 100% | - | 100% | - | - |
| 5.2.2 Access support | - | - | 100% | 100% | - | - | - |
| 5.2.3 Recreation programmes | 5% | - | 95% | 95% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COSTW

| 5.2 Recreation, Promotion and Access | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--------------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.2.1 Recreation partnerships | - | 584 | 584 | 450 |
| 5.2.2 Access support | - | 106 | 106 | - |
| 5.2.3 Recreation programmes | (52) | 834 | 782 | - |
| 2009/10 5.2 Total | (52) | 1,524 | 1,472 | 450 |
| 2010/11 5.2 Total | (54) | 1,552 | 1,498 | - |
| 2011/12 5.2 Total | (55) | 1,579 | 1,524 | - |
| 2008/09 5.2 Total | (230) | 1,748 | 1,518 | - |

5.3 RECREATION SERVICES

What's included here

Our aim is to provide access to sport and recreation opportunities – for people of all ages, abilities and circumstances – to enhance health and well-being. To achieve this we provide a wide variety of recreation facilities throughout the city including: swimming pools, sports grounds, recreation centres, a golf course, playgrounds, and two marinas.

Why it's important

Evidence is emerging to suggest that the prevalence of obesity is increasing worldwide at a significant rate. New Zealand is no exception. Major drivers of the increase in obesity rates have been changing dietary and physical activity patterns. Sedentary lifestyles can lead to poor health which impacts on people's well-being and quality of life.

To encourage people of all ages to engage in social and recreational activities that help them live more active and healthier lives, we provide a wide range of high quality sporting and recreation facilities throughout the city.

The provision of these facilities also brings people together enhancing social connectedness and makes the city an appealing place to live. A number of facilities – such as, Newtown Park, the National Hockey Stadium, Wellington Regional Aquatic Centre, and Karori Park – attract visitors and raise the city's profile by hosting national and international events. Our two marinas also help contribute to the distinct character of the waterfront area.

Overall our work in this area aims to make people healthier and more engaged, and to offer services that make the city more liveable.

Contribution to community outcomes

Our recreation services contribute to the following community outcomes: 'Opportunities for active and passive recreation are diverse, safe, affordable, accessible and attractive', and 'Wellington's communities will have ready access to multi-use indoor and outdoor facilities and spaces'.

What we'll provide – our level of service

We will provide:

- Seven swimming pools (five indoor and two outdoor) throughout the city that offer the opportunity to learn to swim, exercise, participate in aquatic sports, or simply have fun. Two of the pools the Wellington Regional Aquatic Centre and the Freyberg Pool provide fitness centres. The pools collectively attract more than 1.2 million visitors each year. The Wellington Regional Aquatic Centre in Kilbirnie has recently been upgraded with new water play areas, improvements to the learners' pool, a new café, extended car parking, and provision for hydrotherapy services. (See 'how we manage our assets' below.)
- 46 sports grounds throughout the city that offer year-round opportunities for recreation and competitive sport for people of all ages. We manage and maintain a wide range of sports fields, as well as pavilions and grandstands. The fields are mainly used for cricket, softball, rugby, league, hockey,

soccer and netball. Some of the facilities are also used for golf, athletics, American Football, touch, croquet and ultimate frisbee, as well as for training. High-use facilities include the National Hockey Stadium, Rugby League Park, Newtown Park and Hataitai Park. In recent years we have made significant upgrades of Newtown Park – the home of the Wellington Phoenix – and Karori Park.

- Five multi-purpose recreation centres that attract more than 330,000 users each year. They provide a range of recreation, sport and leisure opportunities. The Tawa and Newlands facilities are owned by local colleges and are leased by the Council for community use out of school hours.
- Over 100 neighbourhood playgrounds and skate parks throughout the city, giving families and young people safe places to play near home. Playgrounds are managed according to our Playgrounds Policy, which aims to ensure that all communities have access to safe, enjoyable and stimulating playgrounds.
- Two marinas – the Evans Bay Marina and the Clyde Quay Boat Harbour. These provide public boat ramp access to the harbour as well as supporting the recreational activities of a large number of boat owners.

We also look after more than 300km of tracks extending throughout the city's open space areas that offer opportunities for leisure and recreation. (For more information on the tracks network see 2.2 Green open spaces.)

Key projects over the next three years include:

- There is significant demand on our aquatic facilities at peak times of the day – particularly for learn to swim

programmes. In the coming year we will be looking to prioritise swimming programmes and the allocation of space across the network of pools to manage this demand, while we complete a review that will determine how we can best provide aquatic facilities in the city to meet growing demand for pool space in the long-term. The review – to be completed in the next 12 months to allow investment decisions to be made as part of the 2010/11 annual plan process – will investigate all options including entering into partnerships with schools for use of their facilities.

- We are also aligning pool opening hours to high demand times which will reduce opening hours at times when our aquatic facilities are under-utilised to save on costs.
- We'll complete and implement a management plan for the city to host pool and quarter final games of the 2011 Rugby World Cup. It is anticipated that a number of world cup teams will be based in the city. They will require access to appropriate training facilities including use of some sportsgrounds. We will be working with the tournament organisers to ensure we meet the needs of these visiting teams.
- We plan to install a full sized synthetic pitch adjacent to Rugby League Park in Mt Cook in 2010. This surface will provide all weather access for playing and training, something that's not always possible with Wellington's inclement weather. We'll be monitoring the use of the field with a view to establishing a network of synthetic fields in the future if it is proven to be effective. We have currently budgeted to install five further synthetic fields from 2013. The final locations are yet to be determined.

The benefits of synthetic fields are two fold: they are more reliable and more durable than grass fields. Changing weather patterns, combined with greater demands for our fields is placing strain on our existing network of fields. The result, in 2008, was an increase in the number of cancellations. Synthetic fields allow for all weather use and for games and training to be held pretty much continuously. A key part of our monitoring will be on the willingness of users to access the fields at different times of the day.

This additional synthetic field will complement the new $\frac{3}{4}$ sized synthetic field at Nairnville Park and the pitches at the National Hockey Stadium in Mt Albert. Both sites were made possible with Council support, sponsorship, and in the case of Mt Albert support from the sports code. In the coming year we will undertake more detailed planning work, investigate external funding opportunities, and consider options for accelerating the roll out of the synthetic field programme across the city.

- The appeals to the Environment Court on the 12 court indoor community sports centre at Cobham Park have all been resolved and construction will start as soon as possible. The sports centre is expected to open in mid 2011.

The city currently lacks a large quality indoor playing, training facility for netball, basketball and volleyball as well as for other sports codes and schools. Over a number of years we've engaged with representatives from these various groups and sporting codes as well as the public on how to meet this growing demand. In June 2006, the Council approved construction of a 12 court indoor community sports centre at Cobham Park in Kilbirnie.

The sports centre courts will include 10,500 square metres of sports floor, providing the public with quality playing and training and competition facilities for a variety of indoor sports. The site has the potential to increase capacity by three further courts in the future. This may be an option given we anticipate 85% utilisation in the off peak hours and 100% during peak hours from opening day as there is growing popularity in netball, basketball and volleyball as well as other indoor sports such as handball, korfbal, floorball and futsal. The design includes: seating for 1,000 spectators; meeting and social spaces; kitchen facilities; tournament control; and changing facilities and services.

There are around 40 schools close to the site (many of which do not have their own sports facilities) and others outside the immediate area which will have access to the centre for a range of sports development and physical activity programmes. These programmes may also be linked to those that operate from the Wellington Regional Aquatic Centre.

- We have sold reserve land to the Ministry of Education to enable the construction of a new school in Churton Park. Community-wide consultation will be held to inform our discussions on how the sale proceeds will provide recreation and community facilities in the area.

How we'll measure our levels of service and performance

We will know we are succeeding when participation rates at our recreational venues remain high and grow. Our performance measures for this activity are detailed in the table below.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|--|---|---|---|---|-----------------|
| BETTER CONNECTED MORE ACTIVELY ENGAGED | | <ul style="list-style-type: none"> Resident usage of WCC community and recreation facilities Resident perceptions that there are barriers to participating in recreation activities | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We provide a network of recreation facilities throughout the city with an aim to provide accessible sports and recreation opportunities to enhance health and well-being. | User (%) satisfaction with recreation services and facilities: | | | | | |
| | • Swimming pools | 90% | 90% | 90% | 90% | 90% |
| | • Recreation centres | 90% | 90% | 90% | 90% | 90% |
| | • Playgrounds | 92% | 90% | 90% | 90% | 90% |
| | • Sportsfields | 86% | 85% | 85% | 85% | 85% |
| | Users of facilities: | | | | | |
| | • Swimming pools | 1.2m | 1.4m | 1.4m | 1.4m | 1.4m |
| | • Recreation centres | 330k | 330k | 720k | 720k | 720k |
| Sportsfields quality grading – sportsfields within each grading category (i.e. grade A to C and sand) | A 4 fields / B 11 fields C 19 fields / Sand 9 fields | Maintain | Maintain | Maintain | Maintain | |
| Sports fields – scheduled sports games (%) that are played | New measure | Winter 80% / Summer 95% | Winter 80% / Summer 95% | Winter 80% / Summer 95% | Winter 80% / Summer 95% | |
| Sports fields – utilisation (recommended usage versus actual usage) | New measure | Not to exceed recommended usage level | Not to exceed recommended usage level | Not to exceed recommended usage level | Not to exceed recommended usage level | |
| Marinas occupancy | 95% | 96% | 96% | 96% | 96% | |
| Residents (%) who agree that WCC recreation services and facilities provide good value for money | New measure | 90% | 90% | 90% | 90% | |

How we manage our assets that support this activity

Overall, our recreation facilities are performing well and satisfaction with the quality and maintenance of the facilities remains high. With a growing population and increasing participation in certain sports, some of our facilities are struggling to meet demand at certain times. Key areas of demand include swimming pools, access to recreation centres and sportsfields. Demand for these services are being addressed through a mixture of asset and 'demand management' solutions (i.e. encouraging use at lower peak times rather than incurring the cost of building new assets).

Swimming pools: The pools are managed under our Swimming Pools Asset Management Plan, which sets out targets for asset condition, performance and levels of service. We aim to comply with all statutory requirements at all times, and to maintain all pools in excellent or good condition. Condition assessments are carried out regularly and decisions made about upgrades, renewals and replacements as needed. We also gather information through customer surveys, suggestions and complaints.

Our aim is to manage demand on the pool network to offset capital expenditure in the short to medium term. The following demand management options are being considered:

- Market and promote the facilities and services, to generate revenue streams and increase usage during off-peak periods.
- Establish a programme priority policy to manage both the expectations and needs of the different user groups for instance offering learn to swim programmes ahead of casual pool use.

We will also investigate ways to minimise the impact on the Council of ongoing development expenditure through sponsorship and joint ventures and advocate to government for further investment.

Sportsfields: Our sportsfields are managed under our Sports Fields Asset Management Plan, which sets out targets for asset condition, performance and levels of service. Grounds are allocated according to each sporting code's current and foreseeable needs, taking into account historical use and location of club facilities. Fields and associated assets such as lighting and drainage (and specialist facilities such as cricket nets and shot put circles) are maintained to a standard that meets the needs of the sporting code using it. Condition assessments are carried out regularly and decisions made about upgrades, renewals and replacements as needed. We also gather information through customer surveys and consultation with sports codes.

There is also significant demand for our sportsfields during peak times – and growth in player numbers at both junior and senior levels means demand and expectations are increasing. The high demand means that many of the city's sportsfields are over utilised, which is causing the quality of the turf to decrease. There is also conflict between training and competition, with training lowering the quality of the fields for competition. We are looking to meet demand by making use of synthetic surfaces and working with sports codes to encourage changes in patterns of use (i.e. playing and training at different times than they may have traditionally).

In autumn 2009, we installed a synthetic surface on the upper field at Nairnville Park and a full size synthetic pitch adjacent to Rugby League Park is scheduled for 2010. These will act as a pilot to guide the development of a programme for future

synthetic surfaces in the city. Synthetic surfaces can be used regardless of weather conditions.

We will also look to reduce demand through maximising community use of existing facilities – including looking at partnering with schools to make school sportsgrounds more accessible to the general public under joint management structures.

Recreation centres: Our recreation centres are managed under our Recreation Centres Asset Management Plan, which sets out targets for asset condition, performance and levels of service. We aim to comply with all statutory requirements at all times. We maintain the centres in good or fair condition. Condition assessments are carried out regularly and decisions made about upgrades, renewals and replacements as needed. We also gather information through customer surveys and complaints.

We are looking to meet demand for indoor recreation centre space through the building of a new 12 court indoor community sports centre at Cobham Park. The proposal has been agreed, allocated funding and received resource consent in January 2009. Appeals to the Environment Court have been withdrawn or resolved – and while this has resulted in a six month delay – construction will begin as soon as practically possible.

Playgrounds: Our playgrounds and skate parks are managed under our Play Areas Asset Management Plan 2003, which sets out targets for the condition, performance and levels of service provided by our playground assets. We manage the playgrounds with the aim of complying with relevant legislation and New Zealand Standards at all times. Targeted service levels depend on the type and expected level of use

of the playground. We consult with local communities ahead of starting any upgrades. Condition assessments are carried out on an ongoing basis. We also receive feedback through resident surveys, and through complaints.

We aim to ensure that all playgrounds are safe and provide a range of activities suitable for children of all ages. Over time we are reconfiguring our playground assets to ensure all areas of the city are catered for and that playgrounds are distributed equally across the city. Under our Playgrounds Policy, some playgrounds may be decommissioned if there is alternative provision in the area. In general, decommissioning would occur over time as equipment falls below safety standards.

Marinas: The marinas are managed under our Marinas Asset Management Plan, which sets out targets for asset condition, performance and levels of service. Assets managed under the plan include piers and berths, boatsheds and other buildings, moorings, dinghy lockers and racks, car parks, sea walls, furniture, and sewage pump-out system.

Under the plan, we aim to comply with all statutory requirements at all times, and to maintain all assets in fair condition. Condition assessments are carried out regularly and decisions made about upgrades, renewals and replacements as needed. We also gather information through customer surveys, and consultation with groups using the marinas.

The Clyde Quay boatshed and seawall (built 1905–1922) are listed in our heritage building inventory and managed according to our Built Heritage Policy. This means that any significant alteration affecting the buildings' heritage qualities would require a resource consent.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|------------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.3.1 Swimming pools | 40% | - | 60% | 60% | - | - | - |
| 5.3.2 Sports fields | 10% | - | 90% | 90% | - | - | - |
| 5.3.3 Synthetic turf sports fields | 40% | - | 60% | 60% | - | - | - |
| 5.3.4 Recreation centres | 25% | - | 75% | 75% | - | - | - |
| 5.3.5 Playgrounds | - | - | 100% | 100% | - | - | - |
| 5.3.6 Marinas | 100% | - | - | - | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 5.3 Recreation Services | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|-----------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.3.1 Swimming pools | (6,919) | 17,535 | 10,616 | 1,536 |
| 5.3.2 Sports fields | (353) | 3,561 | 3,208 | 504 |
| 5.3.3 Synthetic turf sportsfields | (126) | 307 | 181 | 1,500 |
| 5.3.4 Recreation centres | (711) | 3,739 | 3,028 | 1,803 |
| 5.3.5 Playgrounds | - | 783 | 783 | 483 |
| 5.3.6 Marinas | (519) | 490 | (29) | 202 |
| 2009/10 5.3 Total | (8,628) | 26,415 | 17,787 | 6,028 |
| 2010/11 5.3 Total | (8,998) | 29,040 | 20,042 | 27,610 |
| 2011/12 5.3 Total | (10,426) | 33,951 | 23,525 | 3,322 |
| 2008/09 5.3 Total | (7,916) | 24,363 | 16,447 | 15,875 |

5.4 PUBLIC HEALTH AND SAFETY

What's included here

Health and safety are fundamental to a high quality of life. We aim to ensure that Wellingtonians are protected from threats to their health and safety – whether those threats are from natural hazards, crime, disease or other sources.

Our activities under this area includes: providing cemeteries in Makara and Karori, and a crematorium at Karori; providing public toilets throughout the city; regulating food and liquor outlets, animals, trade waste, and other activities affecting public health in line with legislation and local bylaws; and we work with Police and others to ensure Wellington remains a safe city. We also run the Wellington Emergency Management Office (WEMO) to ensure that Wellington is prepared for earthquakes, floods and other emergencies.

Why it's important

Our services under this activity fulfil important public health and safety functions to protect the city and its inhabitants.

Public confidence in the safety of the city's streets and suburbs is a top priority for all cities. Wellington enjoys a reputation as a safe city with a vibrant inner city. To be an attractive destination and to offer a high quality of life to residents it is critical that our reputation is maintained or enhanced.

Wellington's location on key fault lines makes earthquake-preparedness particularly important, though the city is also at risk of other civil emergencies such as flooding. WEMO works with all sectors of the community to ensure the city is well-prepared for such events. In the event that that a civil

emergency was declared in response to a natural disaster, the WEMO – located in a purpose built facility in Thorndon – would coordinate the necessary response to ensure peoples safety and aid the city's recovery.

We provide cemeteries and crematoria services as a vital public health function.

We also have legislative requirements to ensure public health standards are maintained by licensing food outlets, liquor licensing and managing noise control, and protect peoples' personal safety and well-being by providing Walkwise officers on our streets during the day and night.

Contribution to community outcomes

Our public health and safety activities contribute to the following community outcomes: 'Wellingtonians will be healthy and experience a high quality of life', 'Wellingtonians will feel safe in all parts of the city', and 'Wellingtonians will be well prepared and co-ordinated to deal with any civil emergency and its aftermath'.

What we'll provide – our level of service

Our work programme over the next three years is based on past demands and set at a level sufficient to continue with existing levels of service.

We will provide:

- Burials and cremation services – We operate two cemeteries, at Karori and Makara. There is also a crematorium at

Karori Cemetery. The cemeteries provide sensitive and respectful bereavement services catering for a wide range of communities and beliefs. We maintain the cemetery sites to a good standard, reflecting their importance to the community. We also keep Wellington cemetery records dating back to 1849 available for public viewing.

- Toilets – We provide more than 60 public toilets throughout the city, and almost 50 sports field pavilions which have public toilets.
- Public health – We regulate public health activities in accordance with legislation, bylaws and Council policies. This work includes licensing of food premises, licensing of liquor outlets, registration of dogs, licensing of businesses that discharge trade waste, and inspection of these activities to ensure compliance with standards.

We have over 1600 food and other registered health premises in Wellington. We ensure that the food premises are producing safe food for consumption. Our environmental health officers undertake investigations of infectious diseases, provide advice, and investigate around 600 complaints each year, including those regarding odours, nuisances, and unsanitary buildings.

We licence premises that sell liquor and issue certificates to the people who manage liquor sales. We ensure that licensed liquor premises have host responsibility practices in place, and that people managing liquor sales have adequate knowledge of legal requirements for liquor sales.

We register approximately 8300 dogs and enforce Council bylaws that relate to animals in the city. Activities in the animal control area include providing advice to dog owners,

promoting responsible dog ownership and providing enforcement measures where dogs and/or other animals are creating a nuisance or are a danger to the public.

- The Wellington Emergency Management Office . Wellingtonians live with the risk of emergencies such as earthquake, fire and flooding. WEMO works with all sectors of the community to ensure the city is well-prepared for such events. As part of this preparation, WEMO undertakes response and recovery planning activities and manages a network of volunteers and response agencies including emergency service providers, government agencies and lifeline utility providers. It regularly runs emergency training exercises and has ongoing public education and awareness programmes with all sectors of the community.
- City safety programmes. Wellington is designated as a Safe City by the World Health Organisation. The coming years will see us actively work to retain this status. We'll continue to provide City Safety Officers who patrol Wellington's inner

city, 24 hours a day, seven days a week. Their role is to help prevent crime in public places by being an approachable, visible presence. City Safety Officers can quickly alert police to a potentially dangerous situation, or a crime. They are trained in first aid and emergency management procedures. We'll also continue with our liquor control bylaw that's designed to reduce alcohol-related crime and disorder and provide a safe city environment for everyone.

Key projects over the **next three years** include:

- Completing safety improvements along Courtenay Place – including installation of closed circuit TV cameras, increased monitoring of city streets by city safety officers, and urban design changes to ensure public areas are well lit and highly visible.
- Review of the existing Dog Policy and Animal Bylaw. The review will encompass dog exercise areas, the responsible dog ownership programme and fee requirements.

The Transportation of Waste Bylaw, the Trade Waste Bylaw are also scheduled for review during this period.

- Developing a public website for hazard awareness and emergency status reporting, and displaying tsunami warning signs at risk areas around Wellington's coastline.
- Upgrade of one public toilet per year.

How we'll measure our levels of service and performance

We'll know we're succeeding when perceptions of safety and actual levels of safety continue to improve. We use the following measures to monitor our work in this area.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|--|---|--------------------------------|--|--------------------------------------|--------------------------------------|--------------------------------------|
| HEALTHIER SAFER | <ul style="list-style-type: none"> Resident perceptions of safety – inner city and neighbourhood (night / day) Resident perceptions – city safety issues of most concern Recorded crime and resolution rates – by categories | | <ul style="list-style-type: none"> Residents with a home emergency kit and plan Number of notifications of the most prevalent food and water-borne diseases Life expectancy | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We work to ensure that Wellington continues to be a safe city – through measures that discourage crime and tackle the causes of crime and disorder.</p> <p>We operate the Wellington Emergency Management Office (WEMO) to ensure that Wellington is prepared for earthquakes and other emergencies.</p> <p>We provide more than 60 public toilets throughout the city.</p> <p>We regulate food and liquor outlets, animal, trade waste and other activities affecting public health in line with legislation, local bylaws and Council policies.</p> | WHO 'Safe Community' status – retention | Retained | To retain | To retain | To retain | To retain |
| | Complaints received: | | | | | |
| | • WCC public toilets | Toilets 671 | Continued reduction across all areas | Continued reduction across all areas | Continued reduction across all areas | Continued reduction across all areas |
| | • Dog control | Dogs 1,134 | | | | |
| | • Food premise | Food 50 | | | | |
| | Food premises with an inspection rating of excellent or very good that maintain or improve their inspection rating | 87% | 95% | 95% | 95% | 95% |
| | Users (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to the cleanliness of WCC public toilets | 74% | At least 80% | At least 81% | At least 82% | At least 85% |
| | WCC public toilets (%) that meet the required cleaning and maintenance performance standards | 98% | 95% | 95% | 95% | 95% |
| | Emergency management partner survey – satisfaction (%) with emergency preparedness and planning | 83% | 100% | 100% | 100% | 100% |
| | Emergency management programmes – businesses, schools and community groups | 170 | 170 | 170 | 170 | 170 |
| | Response rate to service requests: | | | | | |
| | • Dog control – urgent within 1 hour / non-urgent within 24 hours | Urgent 96% Non urgent 99% | Urgent 100% Non urgent 95% | Urgent 100% Non urgent 95% | Urgent 100% Non urgent 95% | Urgent 100% Non urgent 95% |
| | • Hazardous substances – urgent within 1 hour | 100% | 100% | 100% | 100% | 100% |
| | • Food premises – urgent within 1 hour / non-urgent within 48 hours | New Measure | Urgent 100% Non urgent 90% | Urgent 100% Non urgent 90% | Urgent 100% Non urgent 90% | Urgent 100% Non urgent 95% |
| • Public toilets – urgent within 4 hours / non-urgent within 3 days | New Measure | Urgent 100% Non urgent 100% | Urgent 100% Non urgent 100% | Urgent 100% Non urgent 100% | Urgent 100% Non urgent 100% | |
| Inspection schedule completion – including: | | | | | | |
| • Liquor licensed premises | High risk 100% Medium risk 25% | 100% of inspections completed | 100% of inspections completed | 100% of inspections completed | 100% of inspections completed | |
| • Food licensed premises | 100% | 100% of inspections completed | 100% of inspections completed | 100% of inspections completed | 100% of inspections completed | |

How we manage our assets that support this activity

WEMO's building is managed under our Commercial Property Asset Management Plan, which sets out asset performance, condition and customer service requirements. We aim to comply with all relevant legislative requirements at all times, and to maintain the building in an excellent condition sufficient to protect our investment and maintain existing levels of service. We aim to see that any assets in good, fair, poor or very poor condition are restored to excellent condition within 12 months. Regular audits are carried out to assess condition and performance.

Public toilets are managed under our Public Toilets and Pavilions Asset Management Plan. They are managed with the aim of complying with all relevant legislative requirements at all times, ensuring the facilities are available and useable during opening hours, and maintaining all assets in at least good or fair condition. Audits are carried out regularly to assess condition and performance on all buildings. We also respond to complaints and use public surveys to assess the condition of these assets.

Decisions about new public toilets are based on several criteria including expected demand (for example, through population growth or increased use of an area by tourists), cost-effectiveness, alignment with other community facilities, and safety. No new public toilets are planned for the next three years.

Note: public conveniences in botanic gardens, cemeteries and Council buildings are managed under other asset management plans.

The cemeteries are managed under our Cemeteries Asset Management Plan. The plan covers all cemetery assets including the crematorium, buildings and other structures, furniture, paths and other paved areas, horticulture, and lawns, but not monuments. The plan sets out performance, condition and customer service requirements for each asset.

The cemeteries are managed with the aim of complying with all relevant legislative requirements at all times, and maintaining all assets in at least good or average condition. Audits are carried out three-yearly to assess condition and performance on all buildings. We also respond to complaints.

Karori Cemetery has several heritage buildings which are protected by Historic Places Trust classification. These include the Jewish Chapel, the Cemetery Lychgate, and the Crematorium and Chapel – built in 1909, this is believed to be the southern hemisphere's first crematorium. These buildings are managed according to our Built Heritage Policy to protect their heritage values. Over time, we aim to turn Karori Cemetery into a heritage park.

Karori Cemetery has space available only for people who have pre-purchased burial plots and for family members of people buried there. Makara Cemetery is about one-third full.

Note: the city also has several former cemeteries. The Bolton Street and Mount Street Cemeteries are managed under the Botanic Gardens Asset Management Plan. The St Stephens Cemetery in Tawa and the Johnsonville Cemetery are managed under the Open Space Asset Management Plan. The Karori Cemetery has several historic monuments. These are managed according to our Monuments and Sculptures Asset Management Plan.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.4.1 Burials and cremations | 50% | - | 50% | 50% | - | - | - |
| 5.4.2 Public toilets | - | - | 100% | 100% | - | - | - |
| 5.4.3 Public health regulations (food/dogs) | 50% | - | 50% | 50% | - | - | - |
| 5.4.4 City safety | - | - | 100% | 100% | - | - | - |
| 5.4.5 Wellington emergency management office | 5% | - | 95% | 95% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 5.4 Public Health and Safety | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.4.1 Burials and cremations | (772) | 1,579 | 807 | 232 |
| 5.4.2 Public toilets | - | 1,892 | 1,892 | 512 |
| 5.4.3 Public health regulations (food/dogs) | (2,172) | 4,414 | 2,242 | - |
| 5.4.4 City safety | - | 1,746 | 1,746 | - |
| 5.4.5 Wellington emergency management office | (129) | 2,313 | 2,184 | 154 |
| 2009/10 5.4 Total | (3,073) | 11,944 | 8,871 | 898 |
| 2010/11 5.4 Total | (3,165) | 12,443 | 9,278 | 836 |
| 2011/12 5.4 Total | (3,261) | 12,783 | 9,522 | 762 |
| 2008/09 5.5 Total | (3,008) | 11,371 | 8,363 | 1,176 |

5.5 HOUSING

What's included here

We provide housing to people whose needs are not met by other housing providers. We are the city's biggest provider of social housing with more than 2,300 housing units. These are rented at below market rates.

Why it's important

Shelter is a basic human need. By providing social housing, we ensure this need is met. This service also builds social cohesion, helps people to access the opportunities the city has to offer, and contributes to Wellington's reputation as a close, caring community.

Our 20 year upgrade programme is aimed at improving the health, safety and security of our tenants including increasing the energy efficiency of our housing stock. A funding partnership with the Government has made the upgrade programme possible and ongoing development at this time will benefit the local economy.

Overall, our work makes the city more liveable and the dwellings safer and healthier.

Contribution to community outcomes

Our housing activity contributes to the following community outcome: 'Social services, especially public health and housing, will be affordable, available and accessible to all Wellingtonians'.

What we'll provide – our level of service

We'll continue to provide social housing. We currently rent to low-income people whose housing needs are not met by other housing providers. We allocate these homes according to need. All applicants for housing assistance are assessed in line with the Council's Housing Policy and criteria. To be eligible, applicants must have modest incomes and assets, their current housing must be inadequate for their needs, and they must be in one of the following priority groups: the fit elderly, refugees, people with a physical or psychiatric disability, people with multiple disadvantages, households who pay more than half of their income as rent, migrants, or people with disabilities.

The next twenty years will see us substantially upgrading our housing stock. We've entered into a partnership with the Government to upgrade our apartments and houses, making them safer, more secure, healthier, more energy efficient and to a standard appropriate for comfortable living. The Government is contributing \$220 million over ten years towards the upgrade. This work will include upgrading insulation and ventilation, upgrading kitchens and bathrooms, reconfiguring a proportion of bed sits into larger accommodation, addressing issues about safety and security, and building code compliance including earthquake strengthening.

This work will involve temporary relocation of tenants so that the upgrade work can be carried out. We will work alongside tenants to ensure this can be carried out with as minimal impact as possible.

The processes to commence the following works, planned over the next three years, are already well underway:

- Te Ara Hou Flats: we will upgrade the complex by improving kitchens, bathrooms and ventilation, install insulation,

improve safety and shared facilities. Detailed design work is well underway and construction is scheduled to start in July of this year.

- Central Park Flats: preliminary design is well underway with tendering for construction scheduled for April/May 2010 with construction planned to start in July 2010. The upgrade will include earthquake strengthening, improving kitchens, bathrooms and ventilation, landscaping and improving the security of the complex. The number of bed-sits will be reduced by creating a variety of larger units.
- Preliminary survey and design work has started and is being progressed on the following complexes: Hanson Court, Regent Park Flats (New Build), Newtown Park Flats, Kotuku Flats, Berkeley Dallard, Marshall Court, and Rintoul Street Villas.
- Future projects will include Arlington Tower, Granville Flats, Whare Ahuru Flats and the standalone houses.
- Preliminary surveys and design work has commenced for the standalone properties. These are programmed to be carried out progressively over the next 10 years.

City Housing's Community Action Programme is working in conjunction with the upgrade programme and alongside tenants to increase community spirit and pride and develop opportunities to enhance their environment. The Community Action Team have been assisting tenants to identify projects and initiatives that will increase individual and community well-being such as establishing community gardens and encouraging activities to increase community involvement at each unique complex. For some tenants the reduction in social isolation has become important while for others they are keen to enhance their outdoor space. Over the next three years the

Community Action Team will help the tenants within the City Housing complexes develop their own Community Action Plans.

We are also required to review our housing policies, including targeting and rent setting, in conjunction with Housing New Zealand Corporation.

How we'll measure our levels of service and performance

We will know we are succeeding when our upgrade programme remains on schedule and when tenants continue to be satisfied with our services and facilities. Our performance measures are listed in the table below.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|---------------------|---|-------------------------|---------------------------------------|--|
| MORE LIVEABLE | <ul style="list-style-type: none"> Local and central government housing provisions, as a proportion of all rented property Resident perceptions of their 'quality of life' | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | PERFORMANCE TARGETS | | |
| | | | | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We provide housing units to people whose needs are not met by other housing providers. We allocate these homes according to need.</p> <p>We have entered a 10–15 year partnership with the Government to upgrade our social housing stock, making it safer and healthier, more energy efficient and more modern.</p> | Tenant satisfaction (%) with services and facilities | 92% | 85% | 85% | 85% | 90% |
| | Tenant rating (%) of the overall condition of their house/apartment | 88% | 85% | 85% | 85% | 90% |
| | City Housing services and facilities comply with all legislative requirements (e.g. RTA, building WOF) | Compliance achieved | To meet compliance | To meet compliance | To meet compliance | To meet compliance |
| | Tenant (%) sense of safety in their complex at night | 76% | 75% | 75% | 75% | 80% |
| | Occupancy rate of housing facilities | 97% | 90% | 90% | 90% | 90% |
| | Average waiting time for applicants – by target groups | 87 Days | No target – we use this information to monitor trends | | | |
| | Applicants (%) housed – by target groups | 63% | No target – we use this information to monitor trends | | | |
| | Residents (%) who rate services and facilities as good value for money | New measure | 90% | 90% | 90% | 90% |
| | Agreed milestones, design standards and budgets are met in accordance with the agreed works programme and Deed of Grant between the Crown and the Council | New measure | To achieve | To achieve | To achieve | To achieve |
| | Major upgrade projects – construction completion dates | New measure | Te Ara Hou Flats | Hanson Tower and Podium | Regent Park Flats, Hanson Court Flats | Kotuku Flats, Newtown Park Flats, Central Park Flats, Marshall Court Flats, Berkeley Dallard Apartments, Whare Ahuru Flats, Granville Flats, Arlington Tower |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|-------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.5.1 Community housing | 100% | - | - | - | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 5.5 Housing | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|-------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.5.1 Community housing | (31,178) | 16,850 | (14,328) | 15,164 |
| 2009/10 5.5 Total | (31,178) | 16,850 | (14,328) | 15,164 |
| 2010/11 5.5 Total | (55,447) | 16,219 | (39,228) | 38,847 |
| 2011/12 5.5 Total | (61,733) | 16,652 | (45,081) | 45,808 |
| 2008/09 5.5 Total | (28,866) | 15,532 | (13,334) | 14,085 |

How we manage our assets that support this activity

Our housing units are managed under our housing asset management plan, which sets out targets for asset condition, performance and levels of service. We aim to comply with all statutory requirements at all times. We maintain the housing units to a standard and timescales within specified timescales. Our maintenance and repairs are delivered as part of a Council wide long term contract with an external contractor, City Care.

Of the 2,300 housing units we own, over 70% are either bedsits or 1 bedroom units. The stock is aging and individual units are often small, poorly configured for modern living, unable to accommodate basic modern appliances, lack adequate ventilation, are cold and suffer from damp and noise transfer. The majority of the housing stock was built in the 60's, 70's and 80's. Around 65% of the housing stock is located in the

larger centrally located multi storey complexes such as the Pukehinou Flats, Central Park Flats, Berkeley Dallard Flats, Hanson Court Flats, Te Ara Hou Flats, Newtown Park Flats, Duncan Court Flats, Kotuku Park Flats, Marshall Court Flats and Granville Flats. These larger complexes contain between 42 and 281 existing units per complex with the majority between 104 and 281 existing units. All complexes require significant investment in the short to medium term to bring them up to an appropriate modern standard. In line with our partnership with the Government the majority of the housing stock will be upgraded progressively over the next decade, to make it safer, more secure, healthier, more energy efficient and more comfortable. The remainder of the generally smaller, more diversely located and predominately timber framed housing stock will be upgraded in the second ten years of our upgrade programme.

5.6 COMMUNITY PARTICIPATION AND SUPPORT

What's included here

We want Wellington to have strong communities – a place where everyone feels included.

Our activities under this area include: working to support the needs of homeless through our homelessness strategy; providing information, advice and advocacy services to a wide range of people and community groups; and providing grants to support initiatives that support our strategic objectives.

We also provide a network of community centres and town halls throughout the city; support community-owned centres, and support projects that encourage people to develop information technology skills, and help organisations to use information technology to meet community objectives.

Why it's important

Our work with the homeless – who often have complex health and other needs – is designed to raise their health and wellbeing by helping them find accommodation and providing assistance with their health needs.

Our community advocacy supports a wide range of groups and initiatives, each of which builds social cohesion, allow people to access opportunities, and contributes to overall social well-being.

Our social and recreation grants support a wide range of initiatives, each bringing its own benefits to the city, such as encouraging healthy lifestyles, enhancing social cohesion, protecting people's health and safety, and ensuring people have access to basic needs.

Our provision of community venues for activities and services, bring people together and help them to access opportunities. They also contribute to people's sense of belonging and pride in their local suburban areas. Support for community groups helps to build social cohesion and assist people in need.

Much of our work under this activity supports Wellington's large volunteer networks. Their knowledge, expertise and resources are a critical part of city life.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington communities will be inclusive and welcoming to all people', 'Wellington will have responsive social services and a strong volunteer sector', 'opportunities for active and passive recreation are diverse, safe, affordable, accessible and attractive' and that 'Wellington city and its amenities will be accessible to all Wellingtonians'. It also contributes to overall social well-being and to our long term goal of being 'better connected'.

What we'll provide – our level of service

We will:

- Help homeless people meet their accommodation, health and other needs. This is a complex task, requiring input from the Council, central government and a variety of community agencies. As well as providing community housing and public conveniences, we work with other organisations to advocate for and assist homeless people. We will continue our support for Project Margin. The Downtown Community Ministry administers this project,

in which two outreach workers are employed to help meet the needs of homeless people. The initiative has proved highly successful, helping a significant number of people to either find homes or make their accommodation more secure. We have also agreed to provide funding support of \$250,000 in 2009/10 to develop a wet hostel in Wellington. The wet hostel (named Te Whare Oki Oki) will provide accommodation and support for homeless people with a history of alcoholism who have not been able to maintain places in other forms of accommodation. The plan is a partnership with Capital Coast District Health Board, the Ministry of Social Development, and Housing New Zealand. Our funding is conditional on funding support from these agencies.

- Provide a range of community centres and halls throughout the city for community use. We also support community-owned centres in several suburbs. All community centres are run by independent management committees and operate in ways that meet the needs of their communities. We also assist some community groups by subsidising accommodation costs.
- We support projects that encourage people to develop information technology skills, and help organisations to use information technology to meet community objectives – this is provided through funding to the Wellington 2020 Communications Trust, and establishment of computer rooms in our Newtown Park and Arlington housing complexes.
- We'll work to understand our communities, strengthen and build their capacity and advocate to other agencies to ensure the most appropriate use of resources. We aim to provide information, advice and facilitation services to

a wide range of people and community groups. This is done on both a geographic and a demographic basis. We also publish a directory of community organisations, and support community forums through which people contribute to civic life.

Key focus will continue to be on:

- **Accessible Wellington:** our work seeks to promote a wider consciousness about the lives of people with disabilities and reduce the every day obstacles that are put in their way. We will work with our Disability Reference Group to raise awareness and ensure our urban design and infrastructural works are carried out in ways that don't create barriers. We will also host the Disability Forum every year.
- **Youth development:** we want our young people to be actively engaged in city life and have access to opportunities for appropriate education, training, work or other options, which will lead to long-term economic independence and well-being. We'll be continuing our annual youth forum and Youth Council so that their voices can be heard. We'll also continue to target some of our events towards the youth audience and take steps to make sure they can access the myriad of recreational opportunities that the city offers.
- **Positive ageing:** we'll continue to work with the elderly to ensure the city's services and amenities meet their needs.
- **Ethnic and Pacific Island support:** we have developed strong relationships with the city's various ethnic and Pacific Island communities and we'll be holding regular forums with these communities to better understand and respond to their needs.

For information on how we plan to develop opportunities for Maori to contribute to our decision-making processes see activity 1.2 Maori engagement (including mana whenua).

- **Social and recreational grants:** these grants support community-based organisations that contribute to our social and recreational strategic goals. Grants are provided in several ways:

Longer-term funding is provided for organisations that contribute to our strategic objectives, for example by working with disadvantaged people, supporting youth programmes and spaces like Zeal, encouraging participation in recreation activities, or making the city safer. These organisations are contracted to meet specific outcomes and objectives.

In addition, we provide one-off grants to support specific social or recreational projects or to meet specific needs. Most of these grants are allocated by our Grants Subcommittee and will be aimed at projects that support capacity-building, youth activities, safety, and participation in sports and recreation. Some funds have been earmarked for the Tawa district (to be distributed by the Tawa Community Board), helping individuals in need (to be distributed by the Wellington City Mission), and providing small grants to Wellington residents who are selected to represent New Zealand in international events.

The following **key projects** are planned for the next three years:

- A \$900,000 upgrade of the Khandallah Town Hall. The timing of the project relates to the fact that the existing

community centre (Cornerstone) is no longer available for community use. The upgrade is scheduled for completion in 2009/10.

- We are also planning to change the way we support community access to Information Communication Technologies (ICT). We've set aside an additional \$100,000 a year for our libraries to increase the delivery of community ICT services – a portion of which will be used to support the Smart Newtown project – and we will continue to provide support for community ICT at housing complexes through the social housing upgrade project. In light of that – and in recognition that the overall goal of community access to computers and the internet is increasingly being met through other providers – we're reducing our in-house support for community ICT projects and services, and will disestablish the programme to roll-out additional computer hubs throughout the city. We will continue to allocate funding through our grants programme to ensure community ICT support for Wellington.
- We are providing additional funding support of \$50,000 to Zeal to fit out their new premises in Ghuznee Street. The new youth venue is larger and the proposed refit includes three sound-proofed rehearsal rooms, a separate café and performance areas for young people. Zeal has also approached other agencies for contributions toward the fit out, and our funding will only be released once other financial support is confirmed that enables the fit out to be completed.

How we'll measure our levels of service and performance

We'll know we're succeeding when Wellingtonians are aware of and satisfied with services and resources available in the city to encourage strong and thriving communities. Other measures to monitor our work include:

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|--|--|---|---------------------|---------------------|---------------------|
| MORE INCLUSIVE | <ul style="list-style-type: none"> Resident satisfaction with services and resources provided by WCC to encourage strong and thriving communities Resident awareness of the types of community support provided by WCC Residents' importance of sense of community in local neighbourhood Types of social networks to which residents belong (i.e. community, sports, ethnic, etc) | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We provide information, advice and advocacy services to a wide range of people and community groups.</p> <p>We provide and support a network of community centres and halls throughout the city – which provide venues for activities and services.</p> <p>We provide support to homeless people to help meet their accommodation, health and other needs.</p> | Community groups (%) who are satisfied with council relationships | 70% | 70% | 70% | 70% | 70% |
| | Community forums, community groups meetings, advisory groups and youth events and estimated attendance | Forums 6 / Advisory 45 Community group 20 Youth 65 | No target – the number of meetings held each year can fluctuate depending needs and issues. We use this information to monitor trends | | | |
| | Social and recreation grants – Number of applicants; number of successful applicants; total budget allocated | Total applicants 135 / Successful applicants 45 | No target – we seek to support as many worthwhile initiatives that contribute to the social well-being of Wellington city and its people in accordance with eligibility criteria and budget constraints | | | |
| | Community centres – visitors and occupancy | 500k / 69% | 500k / at least 70% | 500k / at least 70% | 500k / at least 70% | 500k / at least 70% |
| | Community halls – visitors and occupancy | 50k / 23% | 50k / at least 25% | 50k / at least 25% | 50k / at least 25% | 50k / at least 25% |
| | Homelessness Strategy – we will report on the work we have done in partnership with others | No target – we will report on the work we have done in partnership with others | | | | |

How we manage our assets that support this activity

The community centres are managed under our Community and Childcare Centres Asset Management Plan. The community halls are managed under our Community Halls Asset Management Plan. Both plans set out targets for asset condition, performance and levels of service. We aim

to comply with all statutory requirements at all times. We maintain all buildings managed under these plans in good or fair condition. Condition assessments are carried out regularly and decisions made about upgrades, renewals and replacements as needed. We also gather information through customer surveys and complaints.

As discussed in the library activity above, we will undertake a comprehensive review of community facilities within the next three years. As such we will not plan to upgrade community halls or centres until the review is complete.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 5.6.1 Implementation of the homelessness strategy | - | - | 100% | 100% | - | - | - |
| 5.6.2 Community advocacy | - | - | 100% | - | 100% | - | - |
| 5.6.3 Social and recreational grants | - | - | 100% | 100% | - | - | - |
| 5.6.4 Community centres and halls | 2% | - | 98% | - | 98% | - | - |
| 5.6.5 Community ICT access | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 5.6 Community Participation and Support | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 5.6.1 Implementation of the homelessness strategy | - | 380 | 380 | - |
| 5.6.2 Community advocacy | (100) | 1,641 | 1,541 | - |
| 5.6.3 Social and recreational grants | - | 2,476 | 2,476 | - |
| 5.6.4 Community centres and halls | (145) | 3,309 | 3,164 | 964 |
| 5.6.5 Community ICT access | - | - | - | - |
| 2009/10 5.6 Total | (245) | 7,756 | 7,511 | 964 |
| 2010/11 5.6 Total | (253) | 7,617 | 7,364 | 93 |
| 2011/12 5.6 Total | (260) | 7,731 | 7,471 | 15 |
| 2008/09 5.6 Total | (247) | 8,538 | 8,291 | 711 |

10-year Financial Projections – Social and recreation

| Operational Expenditure (\$000) | | | | | | | | | | | | |
|---------------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
| 21,942 | 5.1 | Libraries | 22,601 | 23,356 | 23,935 | 25,043 | 25,706 | 26,099 | 27,294 | 27,931 | 28,528 | 29,058 |
| 1,748 | 5.2 | Recreation promotion and access | 1,524 | 1,552 | 1,579 | 1,652 | 1,679 | 1,714 | 1,777 | 1,805 | 1,835 | 1,895 |
| 24,362 | 5.3 | Recreation Services | 26,415 | 29,040 | 33,951 | 35,162 | 36,617 | 37,210 | 38,595 | 39,736 | 40,480 | 40,843 |
| 11,371 | 5.4 | Public health and safety | 11,944 | 12,443 | 12,783 | 13,246 | 13,451 | 13,819 | 14,296 | 14,698 | 15,104 | 15,682 |
| 15,532 | 5.5 | Housing | 16,850 | 16,219 | 16,652 | 18,420 | 18,377 | 18,788 | 20,734 | 20,551 | 20,780 | 22,722 |
| 8,538 | 5.6 | Community participation and support | 7,806 | 7,617 | 7,731 | 7,838 | 8,016 | 8,108 | 8,336 | 8,575 | 8,695 | 8,925 |
| 83,493 | | Total Operating Expenditure | 87,140 | 90,227 | 96,631 | 101,361 | 103,846 | 105,738 | 111,032 | 113,296 | 115,422 | 119,125 |
| - | | Less: Non-funded Depreciation | - | - | - | - | - | - | - | - | - | - |
| 1,735 | | Add back: City Housing ring fenced Surplus | 1,342 | 2,189 | 2,055 | 1,584 | 1,772 | 1,952 | 1,279 | 2,200 | 2,944 | 1,915 |
| 85,228 | | Total Operating Expenditure to be Funded | 88,482 | 92,416 | 98,686 | 102,945 | 105,618 | 107,690 | 112,311 | 115,496 | 118,366 | 121,040 |
| | | Net operating expenditure funded by: | | | | | | | | | | |
| 13,379 | | Direct activity income | 14,480 | 15,027 | 16,641 | 17,186 | 17,654 | 18,292 | 18,981 | 19,272 | 19,929 | 20,431 |
| 49,328 | | General Rates | 50,710 | 53,816 | 58,083 | 60,390 | 62,299 | 63,070 | 65,508 | 67,454 | 68,599 | 69,647 |
| 5,437 | | Targeted Rates | 5,291 | 5,361 | 5,458 | 5,573 | 5,731 | 5,809 | 6,037 | 6,255 | 6,356 | 6,575 |
| 401 | | Grants & Subsidies | 514 | 476 | 503 | 533 | 564 | 597 | 635 | - | - | - |
| 16,683 | | Other Income | 17,487 | 17,736 | 18,001 | 19,263 | 19,370 | 19,922 | 21,150 | 22,515 | 23,482 | 24,387 |
| 85,228 | | Total Funding for Operational Expenditure | 88,482 | 92,416 | 98,686 | 102,945 | 105,618 | 107,690 | 112,311 | 115,496 | 118,366 | 121,040 |

10-year Financial Projections – Social and recreation

Capital Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2,251 | 5.1 | Libraries | 1,922 | 2,007 | 2,156 | 2,439 | 4,840 | 2,737 | 2,624 | 2,599 | 2,756 | 2,894 |
| - | 5.2 | Recreation promotion and access | 450 | - | - | - | - | - | - | - | - | - |
| 15,875 | 5.3 | Recreation Services | 6,028 | 27,610 | 3,322 | 12,225 | 9,634 | 4,629 | 5,237 | 4,645 | 4,600 | 2,388 |
| 1,176 | 5.4 | Public health and safety | 898 | 836 | 762 | 1,116 | 1,089 | 1,003 | 1,170 | 1,287 | 1,499 | 1,255 |
| 14,085 | 5.5 | Housing | 15,164 | 38,847 | 45,808 | 37,651 | 32,525 | 34,479 | 23,995 | 10,724 | 9,082 | 5,920 |
| 711 | 5.6 | Community participation and support | 964 | 93 | 15 | 13 | 74 | 72 | 53 | 23 | 111 | 129 |
| 34,098 | | Total Capital Expenditure | 25,426 | 69,393 | 52,063 | 53,444 | 48,162 | 42,920 | 33,079 | 19,278 | 18,048 | 12,586 |
| | | Capital expenditure funded by: | | | | | | | | | | |
| 7,984 | | Depreciation | 8,492 | 8,836 | 10,460 | 11,150 | 11,641 | 11,663 | 12,568 | 12,908 | 13,148 | 12,308 |
| 4,960 | | Housing (rental) Funded Depreciation | 5,385 | 5,516 | 6,143 | 7,900 | 7,897 | 8,412 | 10,229 | 9,759 | 9,989 | 11,515 |
| 12,699 | | Grants & Subsidies | 12,986 | 37,038 | 43,026 | 34,512 | 27,499 | 31,485 | 19,468 | 2,000 | 1,000 | - |
| 196 | | Development Contributions | 378 | 589 | 798 | 860 | 894 | 897 | 901 | 901 | 901 | 901 |
| (2,474) | | Adj for Housing ring-fenced capital funding surplus | (3,208) | (3,707) | (3,361) | (4,761) | (2,870) | (5,417) | (5,702) | (1,035) | (1,907) | (5,594) |
| 10,733 | | Borrowings and working capital* | 1,393 | 21,121 | (5,003) | 3,782 | 3,101 | (4,119) | (4,384) | (5,255) | (5,083) | (6,543) |
| 34,098 | | Total Funding for Capital Expenditure | 25,426 | 69,393 | 52,063 | 53,444 | 48,162 | 42,921 | 33,080 | 19,278 | 18,048 | 12,587 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

URBAN DEVELOPMENT



Introduction

This provides a succinct outline of the key challenges we face, our long term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those.

6.1 Urban planning and policy

This activity covers our planning and the development of supporting policies to manage urban growth. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

6.2 Building control and facilitation

This activity covers our issuing and monitoring of building consents and providing guidance to make sure buildings meet the standards required. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

6.3 Development control and facilitation

This activity covers our assessments of resource consent applications against the District Plan, the issuing of consents,

and monitoring compliance. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

6.4 Earthquake risk mitigation

This activity covers our work to mitigate the potential impact of earthquakes through studies and by assessing buildings for earthquake risk, and working with owners to ensure that older buildings are strengthened to required standards. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

6.5 Public spaces development

This activity covers our work to upgrade street environments and other public areas in the city and suburbs. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | | |
|---|---|--|
| OUR AIM ▶ | <i>A compact, vibrant, attractive city</i> | |
| WHAT WE DO TO SUPPORT OUR AIM | 6.1 Urban planning and development 6.2 Building control and facilitation 6.3 Development control and facilitation | 6.4 Earthquake risk mitigation 6.5 Public spaces development |
| CHALLENGES WE FACE | <ul style="list-style-type: none"> ■ The economic slowdown makes it crucial that the Council controls building and land development appropriately, ensuring safety and sustainability but not inappropriately hindering growth. ■ Planned changes to the Resource Management Act will require changes in Council processes. | <ul style="list-style-type: none"> ■ Meeting the needs of a population that is growing and aging, and managing demand for smaller households, and for apartment and townhouse living. ■ The need for more sustainable transport, land use, and safe building practices. |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none"> ■ Maintaining the city's 'compactness' ■ Focusing development along a 'growth spine' running from Johnsonville through the city centre to Newtown and Kilbirnie ■ Allowing intensive development in some areas while protecting others | <ul style="list-style-type: none"> ■ Improved integration of land use and transport ■ Improving the quality of urban design, and public open spaces. ■ Focusing growth and development in areas where the benefits are greatest and causes the least harm, while protecting and enhancing the city's unique character. |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none"> ■ Advancing our planning work along the growth spine so that we are well placed to work alongside developers when economic conditions improve. ■ To keep the inner city retail and entertainment areas buoyant while improving public transport connections. | <ul style="list-style-type: none"> ■ Strengthen the city's capital city status by adding a processional route – a tree lined street – along Taranaki Street to the new national Memorial Park that is planned around the Cenotaph in Mt Cook. ■ Ensuring our processes align with any new requirements that arise for the Government's amendment of the Resource Management Act. |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none"> ■ When a high percentage of Wellingtonians agree the city is developing in a way that takes account of its unique urban character and natural environment. ■ When our resource consent and building processing times are matched by customers rating our services favourably. | <ul style="list-style-type: none"> ■ When an increasing percentage of Wellingtonians express a sense of pride in the city and the vast majority of New Zealanders see Wellington as an attractive destination. |



A compact, vibrant, attractive city

Wellington has:

- a vibrant city centre framed by the harbour and bush-covered hills
- well-connected and attractive suburbs
- distinctive architecture in the inner suburbs
- examples of its creativity around the city in public art
- a fantastic waterfront and high quality urban parks.

The city is safe, attractive, and easy to get around. Its compact nature makes it an ideal home for festivals and events that give the city its buzz.

Almost all Wellington residents rate their quality of life positively and take pride in the way the city looks and feels.

These strengths reflect a combination of landscape and urban design.

The challenges we face

Even with the global economic slowdown, in coming decades the city will have to respond to:

- population growth and ageing
- demand for smaller households, and for apartment and townhouse living
- demand for office and retail development
- the need for more sustainable transport, land use, and safe building practices, and
- the need to be adaptable in the face of economic and environmental uncertainty.

These challenges must be faced in ways that retain the city's special character.

At the same time, the city needs to continue to improve the quality of its urban design, and in particular ensure that it reflects its status as the nation's capital.

The economic slowdown makes it crucial that the Council streamlines its processes and works collaboratively with potential investors to maximise the economic potential of the city.

Planned changes to the Resource Management Act will require changes in Council processes – for example in relation to resource consents and District Plan development.

The long-term approach

Wellington City Council's long term approach to urban development is focused on:

- maintaining the city's 'compactness'
- focusing development along a 'growth spine' running from Johnsonville through the city centre to Newtown and Kilbirnie
- maintaining and strengthening the city's centres to provide accessible shopping, facilities and services
- improving the quality of urban design and improving connections between green spaces in and near centres
- protecting places that have citywide character and heritage value
- ensuring that the city's urban environment is resilient to shocks over the long-term
- providing the necessary urban infrastructure in a timely way to support population and economic growth.

Overall, this approach aims to manage growth and development by focusing it in areas where the benefits are greatest and the least harm, while protecting and enhancing the city's unique character.

This approach should also:

- support more affordable transport options
- improve accessibility to jobs, services and facilities
- encourage more affordable housing options
- reduce long term costs on ratepayers by focusing development in areas with existing infrastructure.

Supporting policies

More detailed information about the Council's approach to urban development is available in the District Plan and the Centres Policy available from www.Wellington.govt.nz. Our work in this area is also supported by our Development Contributions Policy (contained in volume two of this draft plan) and Earthquake Prone Building Policy (which is currently under review). *Wellington – Our Sense of Place* also guides our work so that the look and feel of Wellington is retained.

Links with other strategies

The Council's Urban Development Strategy supports the Council's economic, social and environmental strategies in several ways – for example by fostering a compact urban form that encourages sustainable land use, makes the city easy to move around for business, social and recreational activities, and helps events to succeed.

| STATE OF THE CITY – KEY FACTS | |
|---|---------|
| Population in 2009 (NZ Statistics projected): | 193,400 |
| Forecast growth in population 2009–29 (median projections): | 18% |
| Number of people living on each square kilometre of land in the city (Census 2006): | 618 |
| Percentage of Wellingtonians who walk, cycle or take public transport to work: | 59% |
| Percentage of Wellingtonians who have pride in the way the city looks and feels: | 88% |

Negative effects

Population growth and urban development, if not well managed appropriately, can have negative effects on a city's environment and on social well-being. Left unchecked, growth can result in a reduction of open and green spaces with consequences for recreational opportunities, amenity values and even some ecosystems.

Development in the wrong areas, or the wrong types of development, can place strain on infrastructure and reduce people's ability to access services and enjoy the opportunities the city offers. Poorly-planned growth, and poor development and construction of individual buildings, can reduce the attractiveness of the city and the 'sense of place' that people identify with and it can have a direct impact on people's safety. As explained above, we aim to avoid or mitigate these negative effects by guiding future development into areas where the benefits are greatest and the negative effects least.

The tools we use include planning, working with landowners, direct investment in development of public spaces, and using our regulatory powers under legislation such as the Building Act and Resource Management Act.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ MORE LIVEABLE/MORE SUSTAINABLE

Wellington will be a great place to live, offering a variety of places to live, work and play in a high quality urban environment. The city's buildings and urban design will use land and other resources efficiently and sustainably.

The Council contributes through its urban planning work – for example by focusing growth around key transport and employment 'hubs.' We also contribute by controlling building and land use to ensure safety and sustainability, and to minimise or manage negative effects.

We measure progress towards this outcome by monitoring the number of residents that continue to see the city as a great place to live (95% in 2008), and that believe the city offers a variety of places to live (92%), work (80%) and play (91%).

■ **BETTER CONNECTED**

Wellington will be accessible, pedestrian-friendly and offer quality transport choices on a highly interconnected public transport and street system.

The Council contributes to this outcome by focusing growth close to existing transport networks, and through construction of pedestrian friendly areas in the city and suburbs.

We measure progress towards this outcome by monitoring the percentage of residents that find the city easy to move around (91% in 2008).

■ **MORE PROSPEROUS**

Urban design will contribute to economic development through good transport linkages and a flexible approach to land use planning.

The Council contributes through its support for centres and appropriately managing the location of activities.

We measure progress towards this outcome by monitoring the value of commercial and residential consents each year. We also monitor the completion of our specific streets and public space improvement projects.

■ **MORE COMPACT**

We develop policies and plans that encourage a city with a contained urban form and more intensive development focused on the city centre, key suburban centres and major transport corridors.

Wellington is a compact city, and that is increasing with more people choosing to live in the city centre and close to suburban centres. The Council encourages this 'compactness' through urban planning and District Plan requirements.

We measure progress towards this outcome by monitoring population density and growth in target areas in the city. These areas are: the growth spine; suburban centres; and outer residential areas.

■ **SAFER**

Wellington will be a safe city.

Most Wellington residents feel safe. Some residents express concern about graffiti, street lighting, and poorly maintained or dangerous public areas.

We contribute to safety by controlling building and land use to ensure safety and sustainability, and by working with owners to upgrade earthquake prone buildings. We also contribute through urban design work: safety is enhanced by well designed and well lit buildings and public spaces.

We also contribute to safety through urban design that encourages vitality and visibility in the city and suburban centres.

We measure progress towards this outcome by monitoring residents' perceptions of safety and actual crime statistics.

■ **HAVE A STRONGER 'SENSE OF PLACE'**

Wellington will be a memorable, beautiful city, celebrating its capital city status, distinctive landforms and landmarks, its heritage, and its high quality buildings and spaces.

Nearly all residents (86%) are proud of the way the city looks and feels, and the vast majority (79%) of New Zealanders see Wellington as an attractive destination. Nearly all residents (91%) see heritage as contributing to the character of the city.

We contribute to 'sense of place' through our development of public spaces such as the waterfront and Lambton Quay, and by protecting heritage buildings and supporting public art.

We measure progress towards this outcome by monitoring residents' pride in the way the city looks and feels, amongst others.

Our focus for the next three years

We anticipate some downturn in the number of developments in the city in the coming year. The uncertainty around the economy means that large scale developments are less likely to proceed in the short-term. We have already seen a decline in the number of consents we are receiving. Changes to interest rates may soften the downturn.

Our urban development programme takes this into account. Our general approach for the next three years is to focus on planning and on maintaining the city's appearance and advance our planning work for the growth spine so that we are well placed to work alongside developers to stimulate and facilitate investment in the area as the economy improves.

This approach takes into account the fact that we have completed a number of important public space improvements around the city in recent years. Waitangi Park, Glover Park, Cog Park in Evans Bay and the upgrade of Lambton Quay have all added to the city's vitality.

We are, however, keen not to lose that momentum and are planning to complete works that will:

- aim to keep the inner city retail and entertainment areas buoyant while improving public transport connections – our work on the Golden Mile includes a proposal to open Manners Mall to buses and extend Cuba Mall down to Wakefield Street to improve bus services, create new public services and better pedestrian links with Lambton Quay area, Civic Square and the waterfront. This work will include a further public consultation process.
- strengthen the city's capital city status by adding a processional route – a native tree-lined street – along Taranaki Street to the new national Memorial Park that is planned around the Cenotaph in Mt Cook
- prepare the Adelaide Road precinct and Kilbirnie town centre for urban intensification and improved transport linkages in line with our overall approach of focusing urban development around key centres along a 'growth spine'.

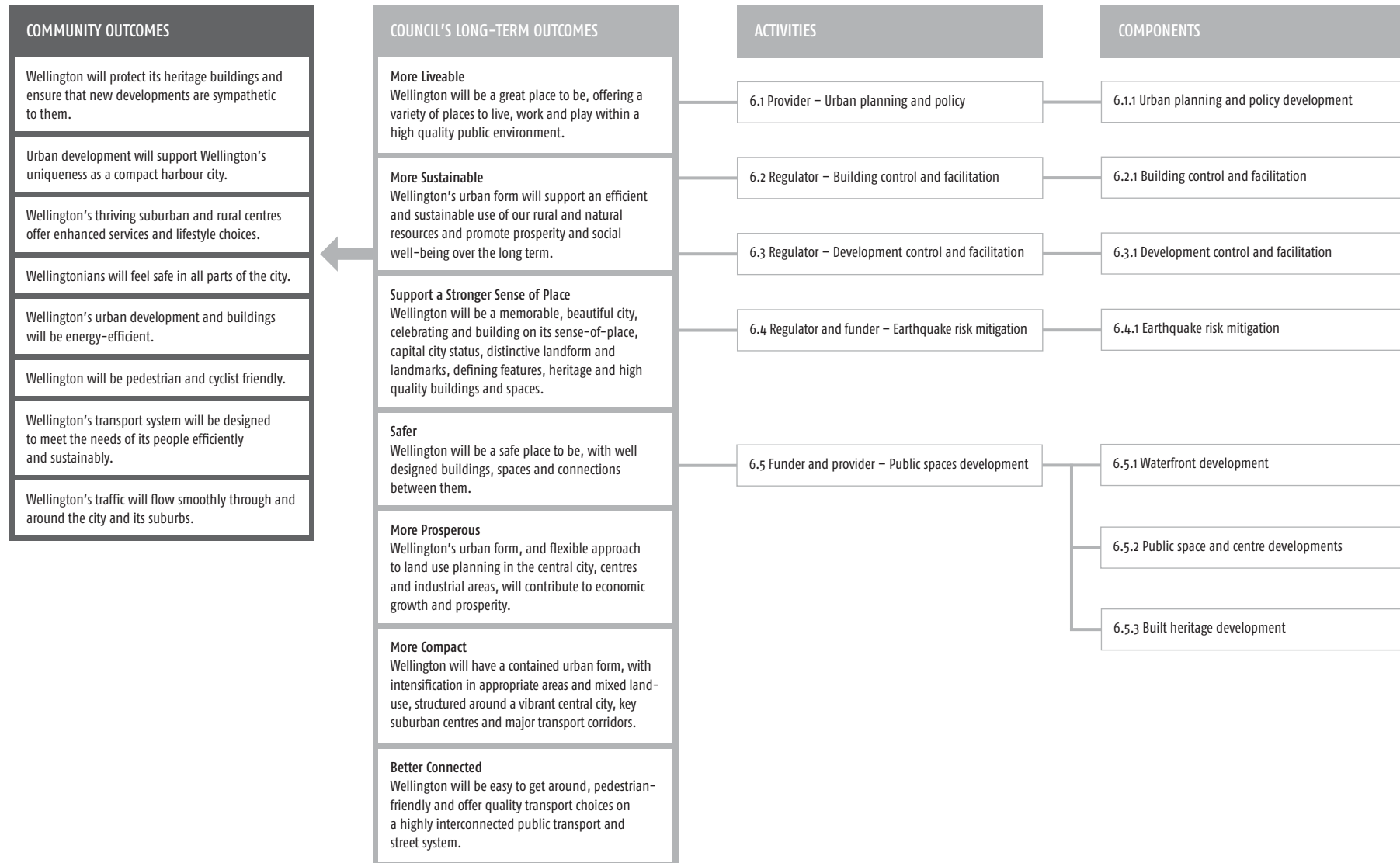
We'll also ensure our processes align with any new requirements that arise for the Government's amendment of the Resource Management Act.

Our investment in the city

In the next three years we plan to spend \$83.439 million in operating expenditure and \$24.744 million on capital projects in this area.

Over the next few pages, we provide detailed information about our activities in this area, what they cost, who we think should pay, and the other measures we use to monitor our performance.

STRATEGY TREE – URBAN DEVELOPMENT



6.1 URBAN PLANNING AND POLICY

What's included here

The appeal of a city and the quality of life that it provides are directly related to its urban form and design. A well planned city is people friendly and easy to get around. It has a distinctive character and 'feel'. Our aim is to manage urban growth in ways that make efficient use of land and transport options so they don't compromise the qualities that make Wellington special. This requires planning and the development of supporting policies.

Why it's important

Wellington city's population is expected to grow by nearly 20 percent over the next decade. This places demands on infrastructure and on land use. More people means more dwellings are required. This poses questions about how and where the city should grow. Our urban planning and policy development work guides our answer.

It's important that we guide growth to ensure that we hold on to the things residents like about the city – such as its compact nature, the fact that it has a true 'heart' around the city centre and harbour, the character of its hillside residential areas.

It's also important that we manage development in ways that minimise harm to neighbours and to the wider environment.

Our approach is to focus development around key 'centres', which will bring together more intensive residential development, places of work, shops and other facilities, and public transport, in ways that support sustainable development and high quality of life.

The Council is required to prepare a District Plan under the Resource Management Act 1991. The District Plan is the primary document that manages land use and development within the Wellington City Council's territorial boundaries.

This includes rules around heritage protection, design guides and other town planning objectives. We have a rolling review of the District Plan and institute plan changes as required. These are subject to formal consultation procedures, so that people can have a say about the policies that may affect them or their area. This is necessary and aligns with our commitment to engage with our communities.

Contribution to community outcomes

This activity contributes towards the following community outcome: 'Urban development will support Wellington's uniqueness as a compact harbour city,' and 'Wellington's thriving urban and rural centres offer enhanced services and lifestyle choices'.

What we'll provide – our level of service

Our overall aim is to develop policies and plans to encourage high-quality urban development, ensuring we focus growth in a way that makes the city more sustainable, while also preserving its character.

An important focus in the immediate future will be on understanding and implementing changes to the Resource Management Act following their enactment.

The Government believes that repetitive and costly consultation processes, broad appeal rights and extensive reporting requirements can add substantial costs and time delays to plan preparation and change processes. They are proposing amendments aimed at removing frivolous, vexatious and anti-competitive objections to consents, streamlining processes for projects of national significance and generally simplifying resource consent processes nationwide. We'll monitor this as it progresses through parliament.

We will monitor its progress to ensure we are well placed to respond to the changes that are introduced. Our work programme is subject to change depending on the final amendments and when they are introduced.

Our intended focus for 2009/10 is on our rolling review of the District Plan. Under the current Act we are required to have completed a full review of the District Plan by 2010. This mandatory 10 year review process is one of the requirements the Government has indicated it will amend.

Our review programme is driven by the need to ensure the District Plan reflects the overall objectives we seek for the city.

The review programme includes: new controls to better protect special character in the 'inner residential areas' and 'residential coastal areas'; new controls to better protect heritage building in Thorndon and some older commercial areas; revisions to the Residential Areas and Suburban Centres chapters of the plan; proposed changes to the management of telecommunications facilities; and controls around earthworks.

Our work also includes resolving appeals. We aim to resolve as many of these as possible through mediation.

Other work under this activity, includes implementation of the Northern Growth Management Framework, including facilitation of the regulatory process to complete John Sims Drive and Westchester Drive. With work on these starting in 2010.

We'll also continue our work on the 'growth spine'. This concept involves focusing intensive development around key transport networks and town centres. The plan aims to make greater use of existing infrastructure and reduces the need for urban sprawl and the negative impacts that can have. Our planning work over the past couple of years has focused on Johnsonville at the northern end of the growth spine and the Adelaide Road precinct bordering the central city area.

Key projects in the coming three years:

- Improvements to the Adelaide Road area: this area has been identified for greater urban intensification in line with our long-term strategy of focusing development around key transport networks and town centres. Planned work includes detailed planning and design to widen the road corridor and streetscape improvements. The work may require Council to purchase some privately-owned land to allow for the road widening.

The improvements will:

- increase road capacity between the central city and the southern and eastern suburbs – which already has significant congestion at peak times
- help redevelop and revitalise of the area for residential/commercial activities over the next 20 years – up to an additional 600 residential units are envisaged as well as commercial development
- complete a 'missing link' in the bus priority route between the central city and the southern suburbs
- support the proposed Basin Reserve improvements – which are predicted to increase vehicle numbers along Adelaide Road
- provide improved access to the Regional Hospital for emergency purposes.

This project also has clear links to the Basin Reserve roading improvements which are one of the highest priorities for the New Zealand Transport Agency and part of the Ngauranga to Airport Corridor Plan. Improvements to the Adelaide Road transport corridor will integrate with this work.

- Johnsonville: work will include planning key roading intersection improvements.

- Kilbirnie: we'll develop a planning framework looking at the future of the town centre and considering what uses and activities will be needed by a growing population in the area. We have scheduled some investment in years two and three of this plan, for implementation of some town centre plan actions.

Our longer term focus will be aimed at local centres and surrounding areas to ensure they serve the changing needs of our neighbourhoods. We developed a Centres Policy in 2008. The overall intent of the policy is to maintain and strengthen existing town and suburban centres – to provide the conditions to keep them viable. Our planning work in the future will take account of this and the wider mix of services that are available in the area.

How we'll measure our levels of service and performance

We'll know we're succeeding when a high percentage of Wellingtonians agree the city is developing in a way that takes account of its unique urban character and natural environment.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|---|--|---|--|---------|-----------------|
| MORE LIVEABLE MORE SUSTAINABLE MORE PROSPEROUS BETTER CONNECTED | <ul style="list-style-type: none"> Resident perceptions that Wellington is a great place to live, work and play Population density throughout the city Value of residential and commercial building consents | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We plan and develop policies with an overall aim to encourage high-quality urban development, ensuring we focus growth in a way that makes the city more sustainable, while preserving its character. | Residents (%) who agree the city is developing in a way that takes into account its unique urban character and natural environment | 77% | 80% | 80% | 80% | 80% |
| | Urban heritage and character protection – work schedule (Note: Plan changes, notified and with Council decision in place by the end of 2010) | New measure | 1) New controls to better protect special character in the 'inner residential areas' and the 'residential coastal edge'; 2) New controls to better protect heritage buildings in Thorndon and selected older commercial areas. | NA | NA | NA |
| | District Plan proposed changes – work schedule (Note: Plan changes, notified and with Council decision in place by the end of 2010) | New measure | 1) Revised Residential Areas and Suburban Centres chapters; 2) Management of telecommunications facilities; 3) Wellington Waterfront policies and rules; 4) Earthworks controls | NA | NA | NA |
| | District Plan changes – appeals that are mediated (settled) before reaching the Environment Court | 80% | No target – we will use this information for monitoring capacity only | | | |
| | Growth Spine Framework implementation – milestones | Commenced development of Adelaide Road Framework | Planning Framework completed for Kilbirnie Town Centre / Report back on feasibility on the need for further 'areas of change' | 10 centre plans (including implementation plans) completed for other key centres | NA | NA |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 6.1.1 Urban planning and policy development | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 6.1 Urban Planning and Policy | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 6.1.1 Urban planning and policy development | (12) | 2,692 | 2,680 | 1,738 |
| 2009/10 6.1 Total | (12) | 2,692 | 2,680 | 1,738 |
| 2010/11 6.1 Total | (12) | 2,790 | 2,778 | 222 |
| 2011/12 6.1 Total | (13) | 2,677 | 2,664 | 1,591 |
| 2008/09 6.1 Total | (12) | 2,539 | 2,527 | 108 |

Note: funding for the Adelaide Road project is provided for in Activity 7.2 Transport networks.

6.2 BUILDING CONTROL AND FACILITATION

What's included here

We have a statutory responsibility under the Building Act to control building developments. This includes ensuring buildings are safe and sanitary and do not threaten environmental quality or public health. Our work includes issuing and monitoring building consents and providing guidance to make sure buildings meet the standards required.

Why it's important

All cities control building work according to the provisions of the Building Act and codes. These controls are necessary to protect public health and safety, and to protect future users of land and buildings.

Our work covers both the residential and commercial sector. Ensuring our staff are knowledgeable and consistent in their approach and efficient in their work is vital. Delays can add costs to projects and working to set standards means people can have confidence in the process. Towards this, we hold accreditation as a building consent authority.

The accreditation scheme was introduced under the Building Act 2004 to help ensure that buildings are built right first time. It focuses on strengthening the building process at the consent processing, inspection and approval stages. This change was brought about primarily in response to the nation-wide issue around leaky homes.

To gain accreditation, we were audited by an independent accreditation agency appointed by the Department of Building and Housing and had to demonstrate that we have appropriate systems and processes, resources and

equipment, and technical capability to enforce building control regulations.

Our work goes beyond regulation. We're also eager to encourage greater use of energy-efficient design and renewable energy technology in Wellington's buildings. The incentives we offer in this regard are important because sustainable building solutions will help reduce the city's carbon emissions.

Overall, we want the city to become more sustainable, safe, and prosperous, and to retain its compact nature and unique 'sense of place'.

Contribution to community outcomes

This work contributes to the following community outcomes: 'Wellingtonians will feel safe in all parts of the city', and 'Wellington's urban development and buildings will be energy-efficient'.

What we'll provide – our level of service

We'll regulate building activity in the city to ensure it complies with the Building Act, Council bylaws and other legal requirements. This work includes: making decisions about building consents and consents required under bylaws; carrying out inspections; issuing code of compliance certificates; and dealing with building warrants of fitness.

Recent changes to the Building Act, making some minor works exempt from building consents, along with an expected slowdown in the construction industry is expected to result in us handling fewer consents than we have in recent years.

We expect this to result in an improvement in our processing times. A national shortage of skilled staff had put pressure on us meeting our targets in recent years.

We'll continue our scheme to offset some building consent fees for new and retrofitted residential dwellings that make use of sustainable building features including solar or heat pump water heating, wood pellet stoves with 'wetbacks', and micro electricity generation. A total grants pool of \$30,000 per annum has been set aside – this equates to between 60 – 100 households each year.

Our work also includes providing information to raise public awareness of the need for and benefits of the consenting processes. We publish a general guide on the consenting process and brochures on specific activities such as pool fences. We've developed guidelines on sustainable buildings to help homeowners, tenants, architects, developers and builders make Wellington's buildings more sustainable. We also produce *On the Level* a quarterly magazine that highlights changes in the industry. We'll continue to produce these and ensure their easy to access online.

We'll also continue to offer homebuyers and others access to Land Information Memoranda (LIMs) and other property information. LIMs are comprehensive reports containing everything the Council knows about a property or section. Our aim is to provide them within 10 working days. We also offer building plan search services online.

Key project over the next three years:

The building code sets out national standards, meaning all consenting authorities are working to the same set of rules. This raises the opportunity for Councils to consider how they

could work together – to share services where economies of scale can be identified. We'll be working with other Councils in the region on what the benefits might be of sharing these services and the possibility of implementing those. We'd expect this to cover things like standardised forms, and common points of access, including online portals that are designed

to make processes convenient for builders and other customers. Providing shared services like these is more complex than it appears on face value. We'll work alongside the other Councils to ensure that the benefits are clear and achievable and to ensure that any implementation can be done right first time.

How we'll measure our levels of service and performance

We'll know we're succeeding when our processing times are matched by customers rating our services favourably. We monitor our work using the following measures.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|--|---|--|------------------------------|------------------------------|------------------------------|
| SAFER | | • See outcome indicators for earthquake risk mitigation and public spaces development | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We regulate building activity in the city to ensure it complies with the Building Act, Council bylaws and other legal requirements. | Building consents issued within 20 working days | 76% | 100% | 100% | 100% | 100% |
| | Code of Compliance Certificates issued within 20 working days | 87% | 100% | 100% | 100% | 100% |
| | Land Information Memorandums (LIMs) issued within 10 working days | 100% | 100% | 100% | 100% | 100% |
| | Complaints – urgent (initial investigation within 24 hours) and non-urgent (initial investigation within 3 days) | New measure | Urgent 95% Non urgent 80% | Urgent 95% Non urgent 80% | Urgent 95% Non urgent 80% | Urgent 95% Non urgent 80% |
| | Building Consent Authority (BCA) accreditation retention | Achieved in June 2008 | Building Consent Authority status retained | Status retained | Status retained | Status retained |
| | Customers (%) who rate building control services as good or very good | New measure | 80% | 80% | 80% | 80% |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 6.2.1 Building control and facilitation | 65% | - | 35% | 35% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 6.2 Building Control and Facilitation | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 6.2.1 Building control and facilitation | (6,691) | 11,358 | 4,667 | - |
| 2009/10 6.2 Total | (6,691) | 11,358 | 4,667 | - |
| 2010/11 6.2 Total | (7,149) | 11,858 | 4,709 | - |
| 2011/12 6.2 Total | (7,894) | 12,603 | 4,709 | - |
| 2008/09 6.2 Total | (7,332) | 11,551 | 4,219 | - |

6.3 DEVELOPMENT CONTROL AND FACILITATION

What's included here

Land development and subdivisions should be sustainable and in keeping with the city's character. We have controls in place to ensure these objectives are met. These include the assessments of resource consent applications against the District Plan, the issuing of consents, and monitoring compliance.

Why it's important

All cities control development work according to the provisions of the Resource Management Act and District Plan. These controls are necessary to ensure resources are used sustainably, to protect public health and safety, and to protect future users of land and buildings. They're also needed to protect urban character and to preserve the city's heritage, for example the workers' cottages and grand villas from the early 1900s in suburbs like Mount Cook and Thorndon.

We separate our policy and regulatory roles in relation to land and resource use. This is important to ensure that resource consent decisions are considered independently and conflicts of interest are avoided.

The Resource Management Act requires us to regulate land use in the city to minimise environmental harm from such things as noise, earthworks, new subdivisions and land developments, plans to clear native bush, changes to historic buildings, and other factors set out in the District Plan.

A resource consent is required for any proposal that is not permitted as of right under the District Plan. If a consent is required, the process varies depending on how much

environmental impact a proposal has and who is affected. Where the effects are not minor the consent is publicly notified, which allows affected parties and members of the public to have their say.

Decisions about publicly notified resource consents are made by a panel of commissioners, which may include councillors. The hearing of resource consents is a quasi-judicial process and extensive training is provided before appointments are made to a hearings panel.

If we are a party in the resource consent proceedings, if particular skills or expertise are required, or if there is any possibility of a conflict of interest, we appoint independent commissioners to these hearings panels.

Overall, we want the city to become more sustainable, safe, and prosperous, and to retain its compactness and unique 'sense of place'.

Contribution to community outcomes

This activity contributes towards the following community outcomes: 'Wellington will protect its heritage buildings and ensure that new developments are sympathetic to them,' 'Wellingtonians will feel safe in all parts of the city,' and 'Urban development will support Wellington's uniqueness as a compact harbour city'.

What we'll provide – our level of service

We'll ensure that resource consents are considered in a consistent way and to a high standard. This means ensuring that developments are inline with the overall policy goals

of the District Plan: to contain urban form, with intensification in appropriate areas and mixed land use, structured around vibrant city centre, key suburban centres and major transport corridors. Our aim is to be efficient in the way we process consents.

The time it takes to process consents depends on the volume – the number of applications we get – and the complexity of those. We anticipate that during the economic downturn the number of consents we receive will decline on past years. A decrease in the number of applications in the past few months compared to the same period last year is an early indication of this.

Because we know the work load in this area fluctuates we have always retained a flexible workforce – drawing on contractors at peak times. This, combined with the fact that the cost of consents are met by the applicants, means that even if there are fewer consents there is no 'saving' for ratepayers. We would however expect to be in a position to improve our processing times.

We'll also be working hard to ensure that landowners comply with resource consent conditions. These can include height restrictions and reducing noise or other nuisances that arise from development and construction work that can impact on neighbours. The number of resource consents that need to be monitored has increased and consent conditions have also become more complex inline with enhanced District Plan rules. We bolstered our resources in this area in 2008 and plan to continue them at that level – sufficient for us to respond to complaints in a timely way.

As part of our commitment to ensure that developments are of a quality that meet the District Plan and can be processed on time we offer pre-application meetings. Our staff will meet with applicants to discuss requirements and the reasons for them. They are designed to facilitate the smooth processing of applications. We offer these free of charge.

How we'll measure our levels of service and performance

Our success in this area is linked to our urban planning objectives. As such, the key measure is Wellingtonians agreeing that the city is developing in a way that takes account of its unique urban character and natural environment

(see 6.1 Urban planning and policy). As our current objectives are about intensification we also monitor building density in different parts of the city and their proximity to public transport. It's also important to ensure that our work is of a high quality and completed in good time. The following measures show the timeframes we're working towards and how we'll ask customers to rate our services.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|---|---------------|---------|---------------------|---------|-----------------|
| MORE COMPACT | <ul style="list-style-type: none"> • Building density throughout the city • Proportion of houses within 100m of a public transport stop | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | PERFORMANCE TARGETS | | |
| | | | | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We make decisions on resource consents (which may involve notification) based on ensuring developments are in line with the overall policy goals of the District Plan. We monitor developments to ensure they comply with resource consent conditions. | Resource consents (non-notified) issued within 20 working days | 72% | 100% | 100% | 100% | 100% |
| | Resource consents that are monitored within 3 months of project commencement | New measure | 90% | 90% | 90% | 90% |
| | Subdivision certificates – Section 223 certificates issued within 10 working days | 31% | 100% | 100% | 100% | 100% |
| | Subdivision certificates – Section 224 certificates issued within 20 working days | 71% | 100% | 100% | 100% | 100% |
| | Noise control (excessive noise) complaints investigated within 1 hour | 82% | 90% | 90% | 90% | 95% |
| | Environmental complaints investigated within 48 hours | New measure | 95% | 95% | 95% | 95% |
| | Customers who rate development control services as good or very good | New measure | 80% | 80% | 80% | 80% |

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 6.3.1 Development control and facilitation | 50% | - | 50% | 50% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 6.3 Development Control and Facilitation | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 6.3.1 Development control and facilitation (resource consents) | (2,946) | 6,148 | 3,202 | - |
| 2009/10 6.3 Total | (2,946) | 6,148 | 3,202 | - |
| 2010/11 6.3 Total | (3,034) | 6,392 | 3,358 | - |
| 2011/12 6.3 Total | (3,126) | 6,543 | 3,417 | - |
| 2008/09 6.3 Total | (2,562) | 5,295 | 2,733 | - |

6.4 EARTHQUAKE RISK MITIGATION

What's included here

Wellington is built on an active faultline, which makes it vulnerable to earthquakes. We work to mitigate the potential impact of these through studies and by assessing buildings for earthquake risk, and working with owners to ensure that older buildings are strengthened to required standards.

(See also emergency management in section 5.4.)

Why it's important

Each week, at least one shallow quake is recorded under the city, though most are so small they're not even noticeable. In 1855, the country's most powerful quake ever struck the city, raising the harbour by 1–2 metres and shifting Lambton Quay inland. We need to understand the impact of a similar quake today and plan to reduce and manage those impacts.

In short, it's not a matter of if, but when. The more we know about earthquakes, the better prepared Wellington can be. Our support of a major research project in this area will provide an unprecedented amount of information on Wellington's earthquake risk, which could then be used by engineers, planners, emergency managers and the insurance industry to better plan for and respond to a major earthquake.

We also implement and review an Earthquake-prone Buildings Policy. This sets in place processes for identifying buildings that are below the required earthquake standards and the requirements and timeframes for building owners to bring them up to the necessary standard.

Wellington's high earthquake risk means this work is critical. It protects public safety, as well as preserving the city's

heritage and the economic investment made in buildings and infrastructure. In addition, implementation of the Earthquake-prone Buildings Policy is a statutory requirement.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington will protect its heritage buildings and ensure that new developments are sympathetic to them,' and 'Wellingtonians will feel safe in all parts of the city'.

What we'll provide – our level of service

We'll continue to contribute funding to a research project designed to determine the likely impact of a major earthquake on the city. *Wellington: It's Our Fault* is a seven-year, \$3.6 million research-science project aimed at better understanding the region's vulnerability to large earthquakes. There are four main strands to the research – the likelihood and frequency of large earthquakes, the expected size, the physical effects, and the social and economic impacts. The project is in its third year.

It is being led by government-owned research company GNS Science, in collaboration with a number of public and private sector organisations. Financial support comes from the Earthquake Commission, ACC, Greater Wellington, and the Council. The findings will help us be better prepared for a large earthquake and inform our planning of the city.

We'll complete the review of our Earthquake-prone Buildings Policy and continue our assessment of buildings inline with the Building Act. Changes to the Act have expanded the requirements for strengthening buildings to prevent them from collapsing during earthquakes. The changes reflect

the significant advances in building techniques in the past few decades. The effect is that a number of existing buildings now fall short of the standards required for new buildings. This means buildings have to be checked and, where necessary, strengthened.

In certain circumstances this places substantial costs on property owners. We are currently reviewing our policy to reach an appropriate balance between ensuring at risk buildings are identified and that owners have sufficient time to plan and undertake the strengthening work.

The Council's buildings are also subject to the policy. We have not yet completed assessments of all our buildings, however we know that the Town Hall, Thistle Hall in upper Cuba Street, Municipal Office Building in Civic Square, Opera House, Embassy Theatre, Old Stand at the Basin Reserve and Chest Hospital are subject to the policy and require strengthening ahead of 2020. The detailed design and planning work for strengthening these buildings is yet to be finalised, however the initial cost is forecasted to be \$42.08m.

How we'll measure our levels of service and performance

We'll measure our progress by the number of assessments of potentially prone buildings that we've undertaken. We'll also receive regular updates on the It's Our Fault research programme.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|--|--|---------------------|-----------------|-----------------|-----------------|------------------------------|
| SAFER | • Identified earthquake-prone buildings that have been strengthened | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We work to mitigate the potential impact of earthquakes through studies and by assessing buildings for earthquake risk, and by working with owners to ensure buildings are strengthened to required standards. | Initial assessments of earthquake-prone buildings completed* | 605 assessments | 500 assessments | 500 assessments | 500 assessments | 500 assessments (until 2014) |
| | Earthquake-prone building notifications** (%) that are issued without successful challenge | New measure | 95% | 95% | 95% | 95% |

* Further performance measures and targets may be identified following the review of Earthquake-prone Building Policy.

** Section 124 of the Building Act 2004

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|----------------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 6.4.1 Earthquake risk mitigation | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 6.4 Earthquake Risk Mitigation | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|----------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 6.4.1 Earthquake risk mitigation | - | 641 | 641 | 3,103 |
| 2009/10 6.4 Total | - | 641 | 641 | 3,103 |
| 2010/11 6.4 Total | - | 663 | 663 | - |
| 2011/12 6.4 Total | - | 569 | 569 | - |
| 2008/09 6.4 Total | - | 584 | 584 | - |

6.5 PUBLIC SPACES DEVELOPMENT

What's included here

Attractive, well-designed parks and public spaces are crucial to people's enjoyment of a city. They encourage people to get together, support shops and cafes, and provide connections between businesses.

We fund work to upgrade street environments and other public spaces in the city and suburbs.

Why it's important

Sensitive development of public squares and parks enhances people's enjoyment of the city and contributes to our civic pride and our 'sense of place'. The waterfront's public spaces bring people together and provide venues for a wide range of events and recreational opportunities. High-quality developments make the city a more attractive place to live, attract visitors and support business opportunities. In addition, the waterfront development is giving new life to many of the city's most prominent heritage buildings.

Heritage buildings contribute to the city's distinct identity and enhance its sense of place. Encouraging the upgrade of heritage buildings may also contribute to public safety.

Overall, our work in this activity aims to make the city more liveable and visually appealing. We also aim to improve public safety. Lighting and the free movement of people are important environmental design principles. Incorporating these in urban design can prevent crime and improve safety and the perception of safety.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington will protect its heritage buildings and ensure that new developments are sympathetic to them', 'Urban development will support Wellington's uniqueness as a compact harbour city', 'Wellingtonians will feel safe in all parts of the city', and 'Wellington's thriving suburban and rural centres offer enhanced services and lifestyle choices'.

What we'll provide – our level of service

We'll complete a comprehensive street improvement programme in the central city. Our focus is on enhancing the Golden Mile. The work will complement the recently completed upgrade of Lambton Quay. The programme aims to further strengthen the connection of the city's primary shopping and entertainment areas with public transport and pedestrian links. It includes our plans to open Manners Mall for bus use, and extend Cuba Mall down to Wakefield Street. This will improve bus services, create new public spaces and better pedestrian links with the Lambton Quay area, Civic Square and the waterfront. (also see Activity 7.1 Transport planning)

The proposed ten year programme includes consultation, design and street improvements in the following streets:

- 2009/10 – Manners Mall and the intersections of Cuba Street, Victoria Street and Dixon Street
- 2010/11 – Lower Cuba Street
- 2011/12 – Willis Street

- 2012/13 – Molesworth Street
- 2013/14 – Tory Street
- 2014/15 – Mercer Street
- 2016/17 – Whitmore Street
- 2018/19 – Featherston Street.

We also plan to refresh Midland Park on Lambton Quay in 2010/11. The park is a popular destination for mid-week office workers and weekend brunches. It's an important open space in the centre of town and by 2010/11 will be in need of an upgrade. Designs are not yet complete but the canopy and new planting are expected to be part of the work.

We also expect to purchase land in 2013/14 to develop an inner city park. We are budgeting \$3.75 million for land acquisition and development of the park.

We have contributed \$2 million towards the government's \$11 million project to establish a national park of remembrance adjacent to the Cenotaph in Mt Cook. The development of Memorial Park is being led by the Ministry of Culture and Heritage. It is currently scheduled to be open for Anzac Day commemorations in April 2010.

We're also planning to 'green' Taranaki Street. The project aims to link Memorial Park with the Waterfront by planting trees and forming a processional route through the city. The project will also provide safe and easy pedestrian access across Taranaki Street. The design and construction components are budgeted at \$3.5 million and are scheduled for 2010/11.

We will also continue to complete minor street improvements in the suburbs. These works are aimed at improving the accessibility, safety and vibrancy of the public spaces in the suburban centres. Two specific centres are currently targeted for upgrades: the Tinakori area of Thorndon in 2011/12 and Hataitai in 2014/15.

In terms of heritage, we'll refresh the heritage information and interpretation material we provide to the public. We also plan to update the built heritage inventory and make this information available on the internet and in print. In the longer term, we plan to undertake a city wide heritage stock take, including a 10-year listing programme.

We are planning to reduce our heritage grants budget from \$329k to \$200k per year. We had originally considered – as part of the early engagement process – to dispense with heritage grants for a period of three years but are proposing to retain them (at a reduced level) to support preservation of heritage in the city. We also preserve the city's heritage through District Plan provisions and by providing a waiver on some resource consent fees for listed heritage buildings to acknowledge that protecting a heritage building by listing it in the District Plan can impose costs on building owners by restricting what they can do with the building.

After trialling the 'Anti Graffiti Flying Squad' for a number of years, we're proposing to make it a permanent service in the city. Graffiti makes the city less attractive. Unless it is removed quickly, it can lead to further property damage and, ultimately

to other forms of street crime. The Flying Squad is tasked with making certain areas unattractive for graffiti, for example by installing murals, and eliminating graffiti from the city's public spaces and, if owners consent, from private property facing public areas.

We're planning to spread developments on the waterfront over the next 10 years instead of 4 years as previously planned. The time frame allows greater flexibility to phase the projects in a way that minimises the impact on ratepayers. It also reflects delays in consenting process and the timing of key projects. As part of this approach we're considering asking Wellington Waterfront Ltd to spend the next two years completing plans and getting the required consents for the development works that are still to be completed. The plans would then be implemented by the Council.

Specific projects that are covered by the waterfront project include:

- Waitangi Precinct: the preferred design for the Overseas Passenger Terminal has received resource consent and approval from the Environment Court. The project is expected to be undertaken in 2012/13. Wharf strengthening for the Overseas Passenger Terminal will be undertaken by the developer at their cost.
- Taranaki Street Wharf and Lagoon: final designs are being completed on the Wharewaka. It is anticipated that this will be completed in 2009/10.

- Frank Kitts Park: the design for the park upgrade has been selected and further work regarding the resource consent is being done. Lodgement of the resource consent is expected in 2009. The development includes a Chinese Garden.
- Queens Wharf Precinct: the resource consent for the proposed Hilton Hotel was declined. This will be incorporated into a broader planning exercise for the area, including traffic control improvements at Hunter Street.
- Kumutoto Precinct: detailed designs and consents for the three remaining sites (8,9 and 10). The sites will then be marketed. Further public space works in this precinct will be completed (anticipated completion 2017/18).

We'll also renew the piles around the wharf and continue to integrate public art into the waterfront to enhance the public spaces.

How we'll measure our levels of service and performance

We'll know we're succeeding when: an increasing number of Wellingtonians express a sense of pride in the city (86% 2008); the vast majority of New Zealanders see Wellington as an attractive destination (79%); high numbers of residents (91%) continue to see heritage as contributing to the character of the city. We'll also monitor residents' perceptions of safety in relation to urban form.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|---|---|--|---|--|--|--|
| STRONGER SENSE OF PLACE | <ul style="list-style-type: none"> Residents' perceptions that heritage items contribute to the city and local communities' unique character. New Zealander perception that Wellington is an attractive destination. Residents' sense of pride in the look and feel of the city. Residents' perceptions of urban design/urban form safety issues (i.e. graffiti, vandalism, poorly lit public spaces, etc). | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| <p>We fund work to upgrade street environments and other public space areas in the city and suburbs.</p> <p>We oversee development of the waterfront and fund the waterfront enhancement project.</p> <p>We work with developers and others to ensure that the restoration of heritage buildings and assets contribute to the city's character.</p> | Residents (%) who agree the central city is lively and attractive | 87% | 87% | 87% | 87% | 90% |
| | Residents (%) who agree their local suburban centre is lively and attractive | 56% | 60% | 63% | 68% | 70% |
| | Public space and centres development projects – scheduled work programme | 50% completed on time | 100% of annual scheduled work programme is completed on time | 100% of annual scheduled work programme is completed on time | 100% of annual scheduled work programme is completed on time | 100% of annual scheduled work programme is completed on time |
| | Residents (%) who rate their Waterfront experience as good or very good | 89% | 90% | 90% | 90% | 90% |
| | District Plan listed items that are removed or demolished | No items removed or demolished | No items removed or demolished | | | |
| | Heritage buildings (adaptive re-use) – heritage buildings that are granted resource consents for additions or alterations | 7% of heritage buildings | No target – we will use this information for monitoring capacity only | | | |
| | Residents (%) who agree heritage items are appropriately valued and protected in central city and suburban areas | Central city 91% Suburban areas 74% | Central city 90% Suburban areas 75% | Central city 90% Suburban areas 75% | Central city 90% Suburban areas 75% | Central city 90% Suburban areas 75% |

How we manage our assets that support this activity

Most Council-owned public artworks and monuments are managed under our Monuments and Sculptures Asset Management Plan.

We aim to comply with all relevant legislation at all times, to maintain all assets covered by the plan in either excellent or good condition, and to make any hazards safe within 24 hours.

We carry out regular condition assessments to determine the state of each asset and determine the need for maintenance or upgrade. Condition assessments have been carried out for all assets managed under this plan. The vast majority are in excellent or good condition. All assets that require maintenance plans have plans in place.

Of the 118 assets managed under the plan, 9 have been identified as having heritage value. We manage these in line with our Built Heritage Policy, under which we have committed to conserving the city's heritage features.

This plan covers two monuments at Karori Cemetery. Other cemetery sculptures and monuments are managed under the Cemeteries Asset Management Plan or by the Ministry of Culture and Heritage.

Other assets that support this activity include footpaths, lighting, street furniture, urban squares and parks, and so on. These assets are managed as part of our transport network (see Transport) or our parks and gardens assets (see Environment).

WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 6.5.1 Waterfront development | - | - | 100% | 100% | - | - | - |
| 6.5.2 Public space and centre developments | - | - | 100% | 100% | - | - | - |
| 6.5.3 Built heritage development | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

WHAT IT WILL COST

| 6.5 Public Spaces and Development | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|--|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 6.5.1 Waterfront development | - | 2,075 | 2,075 | 3,709 |
| 6.5.2 Public space and centre developments | - | 1,157 | 1,157 | 2,226 |
| 6.5.3 Built heritage development | - | 668 | 668 | - |
| 2009/10 6.5 Total | - | 3,900 | 3,900 | 5,935 |
| 2010/11 6.5 Total | (3,254) | 7,155 | 3,901 | 8,340 |
| 2011/12 6.5 Total | (3,252) | 7,450 | 4,198 | 3,814 |
| 2008/09 6.5 Total | - | 4,547 | 4,547 | 8,370 |

10-year Financial Projections – Urban development

| Operational Expenditure (\$000) | | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | |
|---------------------------------|----------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Annual Plan 2008/09 | Activity | Activity Name | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
| 2,539 | 6.1 | Urban planning and policy | 2,692 | 2,790 | 2,677 | 2,665 | 2,728 | 2,627 | 2,708 | 2,780 | 2,851 | 2,957 |
| 11,551 | 6.2 | Building control and facilitation | 11,358 | 11,858 | 12,603 | 13,077 | 13,401 | 13,730 | 14,112 | 14,485 | 14,824 | 15,481 |
| 5,295 | 6.3 | Development control and facilitation | 6,148 | 6,392 | 6,543 | 6,790 | 6,953 | 7,124 | 7,349 | 7,545 | 7,730 | 8,039 |
| 584 | 6.4 | Earthquake risk mitigation | 641 | 663 | 569 | 586 | 599 | 228 | 235 | - | - | - |
| 4,547 | 6.5 | Public spaces development | 3,900 | 7,155 | 7,450 | 7,493 | 7,266 | 7,551 | 7,762 | 7,857 | 7,807 | 8,046 |
| 24,516 | | Total Operating Expenditure | 24,739 | 28,858 | 29,842 | 30,611 | 30,946 | 31,260 | 32,166 | 32,667 | 33,212 | 34,523 |
| - | | Less: Non-funded Depreciation | - | - | - | - | - | - | - | - | - | - |
| 24,516 | | Total Operating Expenditure to be funded | 24,739 | 28,858 | 29,842 | 30,611 | 30,947 | 31,260 | 32,166 | 32,667 | 33,212 | 34,523 |
| | | Net operating expenditure funded by: | | | | | | | | | | |
| 9,906 | | Direct activity income | 9,649 | 10,608 | 11,458 | 12,076 | 12,723 | 12,632 | 13,013 | 13,406 | 13,808 | 14,353 |
| 14,596 | | General Rates | 15,076 | 15,394 | 15,542 | 15,702 | 15,680 | 16,118 | 16,530 | 16,489 | 16,510 | 17,190 |
| 14 | | Targeted Rates | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| - | | Other Income | - | 2,842 | 2,828 | 2,819 | 2,530 | 2,496 | 2,609 | 2,758 | 2,880 | 2,966 |
| 24,516 | | Total Funding for Operational Expenditure | 24,739 | 28,858 | 29,842 | 30,611 | 30,947 | 31,260 | 32,166 | 32,667 | 33,212 | 34,523 |
| Capital Expenditure (\$000) | | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | |
| Annual Plan 2008/09 | Activity | Activity Name | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
| 108 | 6.1 | Urban planning and policy | 1,738 | 222 | 1,591 | - | - | - | - | - | - | - |
| - | 6.4 | Earthquake risk mitigation | 3,103 | - | - | - | - | 580 | 5,099 | 7,033 | 14,689 | 11,525 |
| 8,370 | 6.5 | Public spaces development | 5,935 | 8,340 | 3,814 | 4,592 | 8,427 | 8,035 | 5,932 | 5,199 | 655 | 2,234 |
| 8,478 | | Total Capital Expenditure | 10,776 | 8,562 | 5,405 | 4,592 | 8,427 | 8,615 | 11,031 | 12,232 | 15,344 | 13,759 |
| | | Capital expenditure funded by: | | | | | | | | | | |
| 69 | | Depreciation | 41 | 22 | 13 | 13 | 14 | 10 | 10 | 10 | 11 | 10 |
| - | | Grants & Subsidies | - | - | - | - | - | - | - | - | - | - |
| 255 | | Development Contributions | 467 | 729 | 987 | 1,064 | 1,105 | 1,110 | 1,115 | 1,115 | 1,115 | 1,115 |
| 8,154 | | Borrowings and working capital* | 10,268 | 7,811 | 4,405 | 3,515 | 7,308 | 7,495 | 9,906 | 11,107 | 14,218 | 12,634 |
| 8,478 | | Total Funding for Capital Expenditure | 10,776 | 8,562 | 5,405 | 4,592 | 8,427 | 8,615 | 11,031 | 12,232 | 15,344 | 13,759 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.

TRANSPORT



Introduction

This provides a succinct outline of the key challenges we face, our long-term approach, the outcomes we seek, the types of things we do towards those, and an indication of the measures we use to monitor progress. We also state what we'll focus on for the next three years.

Strategy tree

The diagram shows the links between the community outcomes, our long-term outcomes and the activities we do towards those.

7.1 Transport planning and policy

This activity covers our transport planning and travel demand management work. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

7.2 Transport networks

This activity covers our work on the vehicle, cycle, pedestrian and passenger transport networks. It also covers road safety and our work to manage the entire network. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

7.3 Parking

This activity covers car parking. We outline what we do, provide context as to why it's important, and outline the budget and performance measures for this area.

STRATEGY AT A GLANCE

| | |
|---|---|
| OUR AIM ▶ | <i>Providing quality connections</i> |
| WHAT WE DO TO SUPPORT OUR AIM | 7.1 Transport planning and policy 7.2 Transport networks 7.3 Parking |
| CHALLENGES WE FACE | <ul style="list-style-type: none">• Congestion is likely to become an increasing concern as the city's population grows and car ownership levels remain high.• Safety – particularly for pedestrians and cyclists – is also a growing issue.• We need to ensure our approach to the transport network supports sustainable options but also advocate on behalf of our community for other agencies that have responsibilities over regional and national networks to provide reliable services to accommodate a desire to change behaviour. |
| OUR LONG-TERM APPROACH | <ul style="list-style-type: none">• Our approach to transport focuses on ensuring that the system works as efficiently as possible, while also encouraging a transition towards more use of public transport and other alternatives to private cars. By taking this approach, we aim to manage congestion, and also make the transport system healthier, safer and more sustainable.• Providing infrastructure that supports different modes – such as cycle ways, footpaths, bus routes, motorbike stands, and roads – also gives people choices about how to travel, including low cost options. |
| OUR FOCUS / PRIORITIES | <ul style="list-style-type: none">• Overall we'll aim to maintain the network to ensure it remains efficient.• Planning for improvements to the transport network to ensure it develops in ways that meet future needs.• Continuing with our work to reduce demand on the roading network by making improvements to the bus lane network and encouraging alternative transport modes to the private car such as walking. |
| HOW WE KNOW WHEN WE'VE SUCCEEDED | <ul style="list-style-type: none">• When: more people are satisfied with public transport reliability and frequency; more people are satisfied with road, footpath and cycleway maintenance and safety; and when fewer people are injured or killed on our roads.• When the average inner city car park 'turn-over rate' continues to achieve performance targets and when there is greater compliance with our parking regulations. |



Connecting people and places

Introduction

Wellington is:

- a compact city that is relatively easy to get around
- a city with higher use of public transport and walking than any other in the country
- a city with a safe transport system by national standards
- linked to the world through the port and airport.

The challenges we face

Wellington's transport system is generally performing well and we need to ensure that it remains efficient and sustainable. Congestion is likely to become an increasing concern as the city's population grows and car ownership levels remain high. Safety – particularly for pedestrians and cyclists – is also a growing issue.

The city's terrain and location means there are few options to simply expand the roading network. So other solutions are required to ensure that goods and services can be moved in and out of the city with ease and so people and businesses can connect.

There is also a need to be responsive to the growing community awareness of the impact transport choices can have on the environment and to fluctuations in the price of fuel. We'll need to work with other agencies that have responsibilities over regional and national networks to ensure that collectively we provide reliable and sustainable services to make it simpler for people to change travel behaviours.

The long-term approach

Our approach to transport focuses on ensuring that the system works as efficiently as possible accommodating all modes of transport, while also encouraging a transition towards more use of public transport and other alternatives to private cars. By taking this approach, we aim to manage congestion, and also make the transport system healthier, safer and more sustainable.

Our transport strategy supports our urban development strategy. By focusing more intensive residential development, around places of work, shops and other facilities in key centres, we can improve access to public transport and also reduce the need to travel.

Providing infrastructure that supports a range of different modes – such as cycleways, footpaths, bus routes, motorbike stands, and roads – also gives people choices about how to travel, including low cost options.

Supporting policies

Our work in this area is supported by our Cycling Policy, Walking Policy, and Parking Policy and associated traffic regulations. These are available from www.Wellington.govt.nz.

Links with other strategies

The Council's Transport Strategy works hand in hand with urban design to ensure that people can quickly and easily move between their homes and their places of work, education, recreation, shopping and so on.

An efficient transport system is also crucial for the prosperity of Wellington and its people, for example by supporting tourism and trade. And transport contributes to social well-being by helping people to get together to take part in social or recreation activities.

STATE OF THE CITY – KEY FACTS

| | |
|---|-----|
| Percentage of Wellingtonians who use public buses to access the central city (weekdays): | 33% |
| Percentage of Wellingtonians who think there are barriers to using their preferred mode of transport: | 25% |
| Percentage of primary school children who walk to school daily: | 39% |
| Percentage of Wellingtonians who think peak travel volumes are acceptable: | 64% |
| Number of serious injury crashes on Wellington roads in 2007: | 87 |
| Percentage of Wellington residents who think it's easy to travel from the suburbs to the city: | 80% |

Negative effects

With any transport system, the potential negative effects are significant. In particular, there are environmental costs, ranging from air pollution and carbon monoxide emissions to noise pollution and runoff of contaminants from roads into stormwater drains. There are also potential negative effects from individual projects: for example, construction of any new road has effects on neighbours and neighbourhoods.

Dealing with these effects is complex. Some issues, such as vehicle emission standards, are appropriately dealt with at a national level and we aim to reduce congestion times. Others, such as air and water quality, are regional issues. Of those issues that can be dealt with at a local level, we seek to reduce the cause of the negative effects where possible. For example, this plan contains several initiatives aimed at reducing use of private cars and encouraging alternative, environmentally-friendly forms of transport.

In other cases, we monitor the effects and seek to mitigate them where possible. Stormwater is monitored to ensure it complies with environmental standards, as is air quality in the city. Many of our activities are subject to Resource Management Act controls that seek to ensure that resources are managed sustainably and that adverse effects on the environment are avoided, remedied or mitigated.

Other potentially significant negative effects we need to consider include:

- The timing of road works and other improvements. These can impact on local businesses but may also affect growth opportunities. Our transport planning is designed to minimise the impact and focus our work in growth areas.
- Safety. The transport network brings pedestrians, cyclists and vehicles together. This presents hazards to users. We've developed road safety programmes and design solutions reduce the likelihood and severity of accidents.

What we want – the outcomes we seek

Wellington City Council aims to achieve the following long-term goals or 'outcomes' for the city. Along with the Council, businesses, community organisations, central and regional government, and individuals all play crucial roles in contributing to these outcomes.

■ MORE LIVEABLE

Wellingtonians will have good access from homes to shops and places of work and recreation, priority walking routes to and within the central city, and access to parking.

The Council contributes by operating an efficient road transport network, and through transport planning to ensure remains efficient into the future.

We measure progress towards this outcome by monitoring peak average travel times between the CBD and suburbs (trends over the last three years indicate a reduction in travel times for Miramar, Karori, and Johnsonville, while travel times for Island Bay have increased).

■ **BETTER CONNECTED / HEALTHIER**

The transport network allows people to move easily throughout the city using all forms of transport, and walking and cycling are promoted.

The Council contributes through its provision of an efficient road transport network, support for bus priority measures, and policies promoting walking and cycling.

We measure progress towards this outcome by monitoring the percentage of pedestrians (91% in 2008) and drivers (71% in 2008) who think it is easy to move around the city.

■ **MORE SUSTAINABLE**

The transport system will operate to minimise environmental harm – by operating efficiently, providing viable alternatives to private cars, and reducing the need to travel.

The Council supports more sustainable transport through bus priority measures, promoting urban growth around key transport 'hubs', and developing plans to encourage walking and cycling.

We measure progress towards this outcome by monitoring the percentage of Wellingtonians that use different modes of transport (in 2008: car 46%, bus 28%, walking 16%, train 6% and cycle 2%) .

■ **SAFER**

The city will be safer for all transport users (cyclists and pedestrians as well as people in cars).

The Council enhances transport safety through campaigns, traffic calming measures, reduced speed limits, safe walking routes to schools and other measures.

We measure progress towards this outcome by monitoring the number of accidents on Wellington's streets and roads (trends over the last three years indicate a decrease in the number of fatal crashes and an increase in the number of serious crashes).

■ **MORE PROSPEROUS**

The city's transport system will contribute to economic development.

The Council supports prosperity by operating the transport network that allows for the efficient movement of goods and people around and across the city.

We measure progress towards this outcome by monitoring the amount of cargo loaded (707,609 tonnes in 2008) and unloaded (1,246,350 tonnes in 2008) at the Wellington seaport and airport.

Our focus for the next three years

Overall we'll aim to manage and maintain the network to ensure it remains efficient. Our key focus will be on:

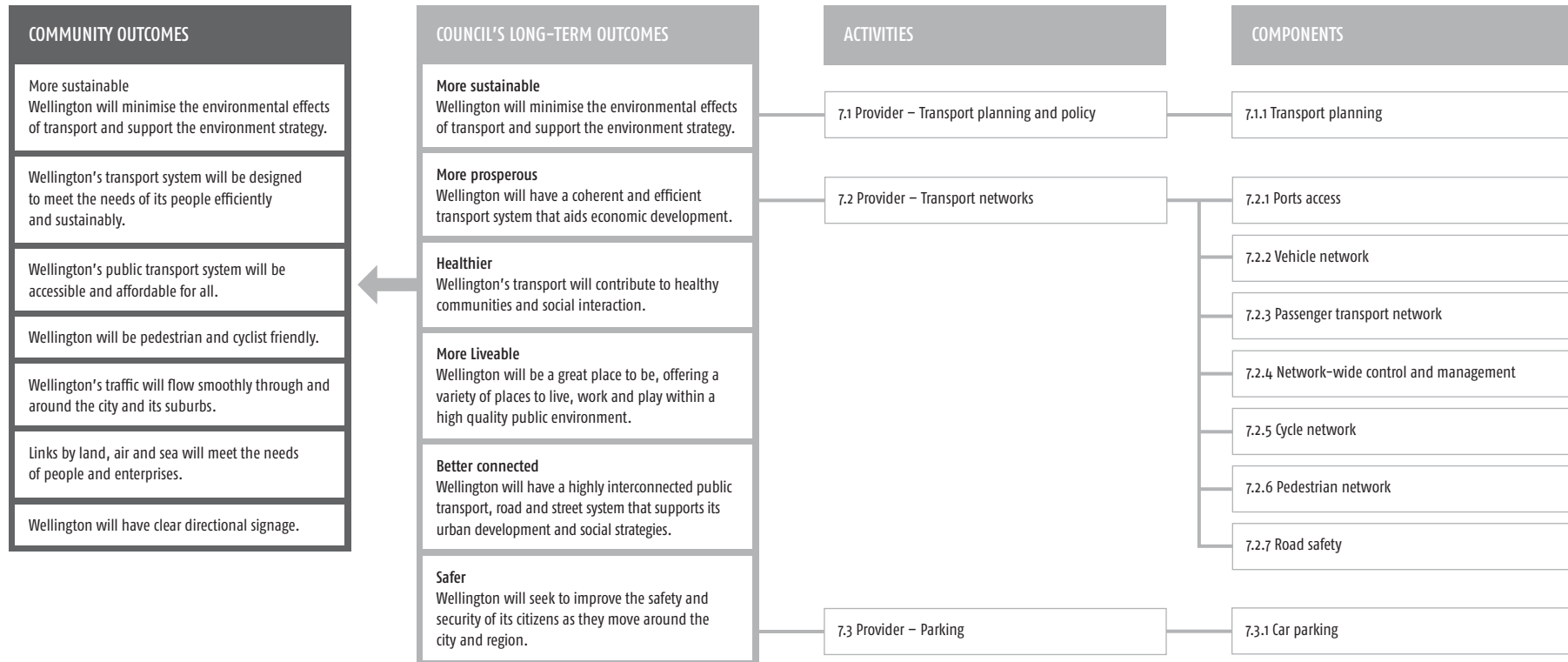
- Planning for improvements to the transport network to ensure it develops in ways that meet future needs. This includes: working alongside Greater Wellington and the New Zealand Transport Agency to ensure the implementation of the Ngauranga to Airport Corridor plan; improvements to the road corridor along Adelaide Road; a proposal to restore the Golden Mile bus route through what is currently Manners Mall; increase the city's strategic cycling and walking networks; and manage congestion problems at the Basin Reserve.
- Continuing with our work to increase capacity on the roading network by making improvements to the bus priorities and encouraging alternative transport modes to the private car such as walking.

Our investment in the city

In the transport area we plan to spend \$152.764 million in operating expenditure in the next three years and \$119.488 million on capital works.

Over the next few pages we provide detailed information about our activities in this area, what they cost, who we think should pay, and how we'll measure our performance.

STRATEGY TREE – TRANSPORT



7.1 TRANSPORT PLANNING

What's included here

We aim to have a well-planned, efficient transport system that allows for the easy movement of people and goods to and through the city.

Our work in this activity includes: working with the Greater Wellington Regional Council, central government and other agencies to ensure that Wellington's transport needs are taken into account in regional and national transport decisions; developing and implementing travel demand initiatives to ease congestion and make the transport network more efficient; and undertaking detailed modelling and planning work to ensure the city's transport network develops in ways that meet future needs.

Why it's important

Transport is one of the key issues facing any city. A well-planned transport system is critical for economic growth and for residents' quality of life. The transport system influences where people choose to live, how easily they can get to and from work and shops, and how easily they can enjoy what the city has to offer. A network that allows easy movement of people and goods is vital for business and a significant competitive advantage. And one that encourages energy efficient forms of transport has significant environmental benefits.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably', 'Wellington's

public transport system will be accessible and affordable for all', 'Wellington will be pedestrian – and cyclist-friendly', 'Wellington's traffic will flow smoothly through and around the city and its suburbs', and 'Links by land, air and sea will meet the needs of people and enterprises'.

What we'll provide – our level of service

Wellington's transport system is performing reasonably well. Most residents believe the city is easy to get around, and by national standards, we are high users of public transport and of other alternative transport modes to private cars, such as walking.

We do face significant challenges. Growth in car ownership and use, environmental issues, and changing public demands all place pressure on Wellington's transport network. The roading network is at or near capacity at peak times with cars, buses, cyclists and parking all competing for space on narrow, hilly streets. In most urban areas, building new roads isn't a viable or desirable option, so other ways need to be found to maintain the efficiency of the roading system. Our work in this area includes:

- Ensuring the transport network is well integrated with the wider regional and national transport networks through long-term planning and co-ordination with the regional council and central government agencies.
- Working to reduce demand by encouraging use of alternative transport modes to the private car such as cycling, walking, the use of public transport and other travel demand management initiatives such as encouraging car pooling.
- Planning for improvements to the transport network to ensure it develops in ways that meet future needs.

This work includes traffic modelling, identifying factors that affect travel mode choices and any long-term trends that would impact on the mix of roading network services we provide, consulting with the community on potential options for network improvements, and applying for resource consents to undertake work.

Over the **next three years**, the following key planning projects will be worked on:

- We will complete the Ngauranga Triangle Strategic Transport Study (formerly the Petone to Grenada link Road study) in collaboration with the New Zealand Transport Agency and the Hutt City Council. The study's focus has been broadened to include the SH1 and 2 networks from Petone and Grenada to Ngauranga Gorge. The study is scheduled for completion in late 2009 and potential improvement projects identified from the study will feed into the regional land transport programme for consideration.
- We'll improve the bus network along the Golden Mile. This includes a proposal to convert Manners Mall into a bus lane. This will involve a further public consultation process. The project will create new public spaces at lower Cuba Street and better pedestrian links with the Lambton Quay area, Civic Square and the waterfront. The plan is part of a package of changes designed to make bus journeys through the city faster and more reliable. It is an essential step in improving the main public transport route through the city, is in line with the city's transport and urban design strategies, and aims to make Wellington more vibrant. It is also critical to the Ngauranga to Airport Plan (outlined below), which was agreed last year and contains a series of projects designed to make the journey between Ngauranga Gorge and the airport quicker and easier for people regardless of how they travel.

- We will work alongside the New Zealand Transport Agency and Greater Wellington Regional Council, to complete the design, obtain consents and secure funding for the Ngauranga to Airport Corridor Plan. The plan has been subject to extensive consultation. It aims to meet the growing transport needs along this critical arterial route that provides connections to Wellington Hospital, the airport, and CentrePort. It is also an important commuter route and aligns with the Council's growth spine concept.

The Regional Transport Committee considers it a priority project. The detailed design phase of this project is scheduled for 2011 with 2013 identified for construction. The timing of this will be dependent on decisions made by the New Zealand Transport Agency. For detailed information on the project visit www.Wellington.govt.nz.

- We will widen Adelaide Road to accommodate bus lanes (see activity 6.1), and improve transport linkages through this important road corridor to Wellington Hospital, the airport and the southern and eastern suburbs.
- We will progress design and construction for improvements to Waterloo Quay between Kings Wharf and Hinemoa Street as part of work to improve linkages with the port, which has seen significant developments in recent times. Work will include removing railways tracks, road widening and upgrading the footpath on the eastern side of Waterloo Quay.
- We will progress new strategic cycle routes in the city in line with the with Regional Council's Regional Cycling Plan. This will include: Wellington city's component of the Great

Harbour Way – a cycling and walking network around the harbour; a track adjacent to the Porirua stream; and from the South Coast to the centre of the city. We have budgeted \$250,000 in 2009/10 and \$500,000 per year there after to plan and implement such routes.

How we'll measure our level of service and performance

We will know we are making progress when more people use public transport and walk to access the central city, and transport safety perceptions continue to improve. Our performance targets for transport planning are in the table below.

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | |
|---|---|---|---|---|---|---|
| MORE LIVEABLE MORE SUSTAINABLE | <ul style="list-style-type: none"> • Resident perceptions that the transport system allows easy access to the city • Resident perceptions that public transport is convenient and affordable • Resident perceptions that peak traffic volumes are acceptable | <ul style="list-style-type: none"> • Total fuel used on Wellington roads (per capita) • Mode of transport to access the central city (i.e. car, bus, train, walking, cycling) • Users of public buses (actuals) • Air quality monitoring (i.e. nitrogen dioxide, carbon monoxide, and particulate matter) | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We carry out transport planning and policy activities to ensure we have a well-planned, sustainable and efficient transport system that allows for the easy movement of people and goods to and through the city. | Residents (%) who agree the transport system allows easy movement around the city – vehicle users and pedestrians | Vehicles 71% Pedestrians 91% | Vehicles 70% Pedestrians 90% | Vehicles 70% Pedestrians 90% | Vehicles 70% Pedestrians 90% | Vehicles 70% Pedestrians 90% |
| | Mode of transport to access the central city (weekdays): | | | | | |
| | • Bus | 32% | 33% | 34% | 35% | 40% |
| | • Walking | 16% | 16% | 17% | 17% | 18% |
| | • Cycling | 2% | 3% | 4% | 5% | >5% |
| Cyclists and pedestrians entering the CBD (weekdays)* | Cyclists 604 Pedestrians 5,361 | Cyclists: Maintain Pedestrians: Increase | Cyclists: Increase Pedestrians: Increase | Cyclists: Increase Pedestrians: Increase | Cyclists: Increase Pedestrians: Increase | Cyclists: Increase Pedestrians: Increase |
| Primary school children who walk to and from school daily | 37% | 38% | 39% | 40% | 48% | |
| Resident perceptions of transport related safety issues (i.e. issues of most concern) | Car theft 59% Dangerous driving 59% Traffic / busy roads 47% | No targets – transport related safety perceptions are for monitoring purposes only. | | | | |

*counts are undertaken at 26 survey locations around edge of the CBD.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--------------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 7.1.1 Transport planning | - | - | 100% | 100% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 7.1 Transport Planning and Policy | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|-----------------------------------|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 7.1.1 Transport planning | (429) | 928 | 499 | - |
| 2009/10 7.1 Total | (429) | 928 | 499 | - |
| 2010/11 7.1 Total | (341) | 821 | 480 | - |
| 2011/12 7.1 Total | (650) | 1,236 | 586 | - |
| 2008/09 7.1 Total | (110) | 664 | 554 | - |

Note: Funding for Adelaide Road is included in activity 7.2 Transport networks. Funding for restoring the Golden Mile is included in activity 6.5 Public spaces.

7.2 TRANSPORT NETWORKS

What's included here

We aim to have a transport network that is reliable and allows people and goods to move in and out of the city easily and safely. Our work in this area includes maintaining the city's extensive network of roads, streets, bridges, tunnels, footpaths, roadside walls, and cycleways. We manage the transport network, using traffic lights to minimise congestion at peak times, and promote traffic safety by working with communities to design and implement safety projects ranging from education and enforcement, to installing features such as new traffic lights, pedestrian crossings, roundabouts, guardrails and other traffic calming features.

Why it's important

An efficient and safe vehicle network is important for the city's economy and for residents' quality of life. It is also important for the environment. An inefficient transport network that is congested results in cars spending more time in transit consuming fuel and emitting carbon monoxide – a negative consequence of the roading network that we are seeking to minimise.

We provide cycling and walking networks to encourage alternative options to the private motor vehicle for commuting. These are environmentally sustainable, and enhance the city's 'connectedness' and 'liveability' by reducing traffic congestion and making travel a form of recreation. It's also good for the health of individual cyclists and walkers.

Our work to enhance the public transport network through implementing bus priority measures makes the network more efficient, helps reduce congestion, makes the city

more sustainable and provides a cost effective option for people to move to and through the city.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington's transport system will be designed to meet the needs of its people efficiently and sustainably', 'Links by land, air and sea will meet the needs of people and enterprises', 'Wellington will have clear directional signage', 'Wellington will be pedestrian – and cyclist-friendly', 'Wellington's traffic will flow smoothly through and around the city and its suburbs', and 'Wellington's public transport system will be accessible and affordable for all'.

What we'll provide – our level of service

We will:

- Manage and maintain the transport network that includes 74 bridges, four tunnels, more than 670km of urban and rural roads, as well as roadside drains, and more than 2400 retaining walls.
- Keep roadside retaining walls structurally sound and remove all graffiti from such walls within 48 hours of notification (offensive material is normally tackled within two hours).
- In each of the next three years – we'll carry out more than 50km of resealing work and more than 20km of seal smoothing work on the city's streets and roads.
- Encourage cycling by providing more than 24km of cycleways throughout the city and suburbs. Just over half of the network is in dedicated cycle lanes. The rest is in shared pedestrian/cycle paths.

- Encourage public transport use with bus priority lanes and bus priority signals to speed up bus trips.
- Provide more than 410 bus shelters and 1320 bus stops, and the associated timetables and signs, and we provide park and ride areas (commuter car parks alongside bus and train stations leading to the central city). Our partnership with Adshel means shelters with advertising are provided and maintained at no cost to the Council.
- Maintain over 980km of footpaths, as well as steps and accessways, subways, bridges, canopies, seats, bollards, and pedestrian malls, all of which need regular maintenance and eventual renewal. They are maintained to keep them safe and convenient for all pedestrians. Over time, we are improving kerb design at intersections to make crossing easier for people in wheelchairs or pushing prams.
- Manage traffic flow to increase the efficiency of the road network and minimise congestion at busy periods. We run a traffic control system that includes around 100 sets of traffic lights, 16 closed circuit television camera systems and a central traffic computer system. This system has been further enhanced by the integration of Council and NZ Transport Authority traffic monitoring capabilities. Network management work also involves planning and computer modelling of general travel patterns around the city, including pedestrian, motor vehicle, cycle and parking patterns. Regular surveys are conducted to ensure information is up to date, so that we can respond to changing trends.
- Work with local communities to improve traffic safety. We will use a combination of education, enforcement and traffic calming measures to achieve safety improvements.

We use infrastructure changes such as installation of traffic lights, pedestrian crossings, guardrails, traffic islands and roundabouts, to moderate traffic and protect pedestrians. We also encourage use of safe walking routes around schools. Also under this activity, we provide and maintain street lighting which helps to keep people safe and discourage street crime.

Key projects over the next three years include:

- Roading improvements to Riddiford Street in conjunction with the new hospital development.
- Road safety programmes in Newtown through to 2010 and from 2011 focus on improving safety in the central business district with a particular focus on improving safety for pedestrians along Courtenay Place.
- Implementing the walking policy that was adopted in 2008. The area of priority for the first three years will be to encourage increased walking trips to and from schools

for children and their parents by improving the footpath network in the area and addressing any safety issues. The factors that will increase walking trips to schools will vary depending on existing infrastructure, speed limits and other safety factors within the vicinity of each school. We will work closely with individual schools to identify and implement all practicable solutions.

- Implementing the cycling policy that was adopted in 2008. The focus over the next three years will be on identifying and implementing safety improvements for cyclists on Wellington's roads.
- Extending bus lanes along the Golden Mile in 2009/10 and then on routes heading towards Newtown: Kent/Cambridge Terraces and Taranaki Street in 2010/11 and then Adelaide Road in 2011/12.
- Upgrading all Belisha Beacons – orange signals – at pedestrian crossings to meet new national safety requirements and carry out upgrade work on the Karori tunnel to address seepage.

How we'll measure our level of service and performance

We will know we are making progress when: more people are satisfied with public transport reliability and frequency; more people are satisfied with road, footpath and cycleway maintenance and safety; and when fewer people are injured or killed on our roads. Our performance targets for the roading network are in the table on the following page.

| OUTCOMES WE SEEK | MEASURING PROGRESS TOWARDS OUR OUTCOMES |
|---|--|
| BETTER CONNECTED HEALTHIER SAFER MORE SUSTAINABLE MORE PROSPEROUS | <ul style="list-style-type: none"> Resident perceptions that peak traffic volumes are acceptable Resident perceptions that the transport network allows easy movement around the city (drivers and pedestrians) Resident perceptions of barriers to using preferred mode of transport Resident satisfaction with public transport reliability and frequency Number of road crashes Social cost of crashes Cargo loaded and unloaded at Wellington Seaport and Airport |

| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | PERFORMANCE TARGETS | | | | |
|---|--|--|--|---|--|---|
| | | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 |
| We provide a transport network that is efficient, convenient, reliable and safe – enabling the easy movement of people and goods to and through the city. | Resident condition (%) rating of the network – roads and footpaths (good or very good) | Roads 70% Footpaths – new measure | Roads 75% Footpaths 75% | Roads 75% Footpaths 75% | Roads 75% Footpaths 75% | Roads 75% Footpaths 75% |
| | Requests for service response rate – urgent (within 2 hours) and non-urgent (within 15 days) | Urgent 88% Non-urgent 81% | Urgent 100% Non-urgent 100% | Urgent 100% Non-urgent 100% | Urgent 100% Non-urgent 100% | Urgent 100% Non-urgent 100% |
| | Roads (%) which meet smooth roads standards (Smooth roads – measured by Smooth Travel Exposure based on NAASRA* counts) | 68% | At least 68% of roads | At least 68% of roads | At least 68% of roads | At least 68% of roads |
| | Street pavements (%) condition rating (measured against WCC condition standards – i.e. free from trip hazards) | 97% | 97% | 97% | 97% | 97% |
| | Street lighting (%) for major roads (arterial, principal and collector roads) meets national standards | 95% | 100% | 100% | 100% | 100% |
| | Resident satisfaction (%) with street lighting in the central city and suburban areas | Central 72% Suburbs 68% | Central 80% Suburbs 70% | Central 80% Suburbs 70% | Central 80% Suburbs 70% | Central 80% Suburbs 70% |
| | User satisfaction (%) with the safety and maintenance of cycleways | Maintenance 61% Safety 43% | Maintenance: At least 70% Safety: At least 50% | Maintenance: At least 70% Safety: Improve on past year | Maintenance: At least 70% Safety: Improve on past year | Maintenance: At least 70% Safety: Improving trend |
| | Road casualties** (per 10,000 population): • Vehicles • Pedestrians • Cyclists | 22.8/10,000 4.9/10,000 4.8/10,000 | Continued reduction | Continued reduction | Continued reduction | Continued reduction |
| | Average peak travel times (am/pm combined) – between CBD and suburbs: • Miramar • Karori • Island Bay • Johnsonville | 2008 = 15.19min / 2006 = 18.35min 2008 = 13.03min / 2006 = 14.38min 2008 = 13.16min / 2006 = 11.28min 2008 = 17.04min / 2006 = 17.30min | Maintain or improve | Maintain or improve | Maintain or improve | Maintain or improve |
| | Residents (%) who agree that WCC transport network facilities and services provide good value for money | New measure | 90% | 90% | 90% | 90% |
| Ports access – capital works programme | Completed detailed planning for Kings Wharf and Bunny Street; commenced street improvements along Waterloo Quay. | Planning and design stage | Planning and design stage | Commence further street improvements along Waterloo Quay – Kings Wharf to Hinemoa Street. | - | |
| Walls condition rating – walls (%) rated 3 or better (1 – very good to 5 – very bad)*** | 58% | 60% | 62% | 64% | 70% | |

* NAASRA counts are a standard measure of the road surface riding comfort. ** Figures include fatal, serious and minor casualties.

*** Walls work programme is prioritised according to condition rating (i.e. walls rated 5 – very poor have highest priority).

How we manage our assets that support this activity

Wellington's vehicle network is managed in line with our Transportation, Traffic and Rooding Asset Management Plan. Decisions about maintenance, renewal and upgrade depend on several factors including the condition of the asset, the expected 'life' of the asset, the levels of service we seek, safety, anticipated demand, our strategic objectives, and the need to ensure efficient and effective use of resources.

Demands on the network are influenced by a number of factors. Growth in car ownership rates (3–4% per year); population growth; lifestyles and travel behaviour patterns; demographic changes (i.e. the impact of an ageing population – a greater proportion of the population outside of the traditional working age may reduce demands at peak times); and price for fuel are all factors that affect the volumes and characteristics of traffic movement.

Predicting the nature of any increases or change is difficult. As a planning tool it is presumed that travel trips will increase but will be tempered by natural congestion forcing behaviour changes. Increasing the capacity of the network to match demand has limitations. However efficiencies are introduced wherever possible to enable maximum traffic use of the network.

We will manage the increase in demand through a mix of:

- upgrades to the vehicle network: we will work closely with Greater Wellington and the New Zealand Transport Agency on determining rooding priorities for the region and advocate for the allocation of funding to upgrade key areas of the city's network

- demand management initiatives: options aimed at reducing demand for the services for example aligning our transportation and urban growth strategies

We also have in place operational, maintenance and renewal programmes to ensure assets perform to their potential. For our major asset components this means:

Roads: We carry out annual surveys to assess the condition of sealed roads, based on levels of roughness, integrity, skid resistance, comfort and safety. Resealing and smoothing work is carried out as needed to maintain the integrity of the assets. Decisions on the type of work to be carried out are based on cost-benefit analysis and assessments by engineers. Different types of surface are used to meet particular needs. Smooth asphalt is expensive and used through shopping centres and in areas where turning stresses on the road are high or where there is a need to limit noise because of heavy or high traffic volumes. Chipseal is used where the road structure is flexible and where there is no need for the other expensive surfaces. Routine maintenance is carried out by contractors who are responsible for proactively assessing asset condition, and to assess and fix minor faults within specified timeframes.

Tunnels and bridges: The city's four tunnels are inspected for structural soundness every five years and structural and/or cosmetic work is carried out as needed. All tunnels are currently structurally sound. We plan to complete works to minimise water seepage at Karori Tunnel in 2011/12. The bridges are also inspected every five years and structural and/or cosmetic work is carried out as needed. A condition survey is currently being undertaken and a full report will be completed by April 2009.

Walls: The city's terrain means we have a large number of retaining walls. These protect access from slippage. Most of the walls are in satisfactory conditions. We completed a survey in 2005 that identified those walls that required urgent attention. We increased our budget to provide for this work. By the end of 2009/10 we plan to replace or rehabilitate 5 percent of the network (6,500 square metres). Our long-term renewal programme provides for remedial works to a further 15 percent of walls that are currently graded '4' (in poor condition).

Footpaths: We carry out annual surveys to assess the condition of all footpaths in the city. The vast majority of footpaths are in good condition. The 2008 Walking Policy has prioritised the need to increase walking trips to and from schools for children and their parents. We will be working with schools in the coming year to identify improvements to the network that would facilitate increased walking trips. In the central city, footpath widening projects are planned to meet pedestrian demand and increased use of footpaths for restaurants, cafes and public seating. The assets are maintained to meet performance standards, for example we aim to repair any hazards to public safety within four hours of the hazard being reported.

Network management assets (traffic lights and signs etc): We carry out regular inspections of these to assess their condition. The budget for traffic signal maintenance was increased in 2007 to provide for the costs of maintaining additional signals which are being installed as part of the SaferRoads project. An ongoing upgrade programme is under way to maintain the signals in compliance with best practice. Renewals are scheduled based on a 15-year lifecycle.

Street lighting is maintained and upgraded to meet required safety standards. Maintenance work is generally of a reactive nature, following monthly inspections on main routes and notifications from residents.

Overall, our asset programme is intended to protect the current levels of service, mitigate risk and minimise cost by implementing a balanced programme of planned and reactive works. These include responses to emergencies and hazards, such as slips, and repairs of minor faults as identified (e.g. potholes or deteriorated road markings) and the programme of renewals. The asset renewals are based on an analysis of condition assessments and failure history and an economic analysis of 'life cycle' costs.

■ WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|---|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 7.2.1 Ports access | - | - | 100% | 100% | - | - | - |
| 7.2.2 Vehicle network. | - | 5% | 95% | 95% | - | - | - |
| 7.2.3 Passenger transport network | - | 70% | 30% | 30% | - | - | - |
| 7.2.4 Network-wide control and management | - | 25% | 75% | 75% | - | - | - |
| 7.2.5 Cycle network | - | 15% | 85% | 85% | - | - | - |
| 7.2.6 Pedestrian network | - | - | 100% | 100% | - | - | - |
| 7.2.7 Road safety | - | 25% | 75% | 75% | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

■ WHAT IT WILL COST

| 7.2 Transport Networks | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 |
|---|---------------------------------|---------------------|-------------------------|-------------------------------|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) |
| 7.2.1 Ports access | - | - | - | - |
| 7.2.2 Vehicle network | (961) | 20,259 | 19,298 | 19,261 |
| 7.2.3 Passenger transport network | (703) | 1,046 | 343 | 3,914 |
| 7.2.4 Network-wide control and management | (957) | 3,844 | 2,887 | 2,167 |
| 7.2.5 Cycle network | (6) | 48 | 42 | 475 |
| 7.2.6 Pedestrian network | (49) | 4,888 | 4,839 | 4,819 |
| 7.2.7 Road safety | (2,065) | 6,347 | 4,282 | 2,584 |
| 2009/10 7.2 Total | (4,741) | 36,432 | 31,691 | 33,220 |
| 2010/11 7.2 Total | (4,889) | 38,187 | 33,298 | 42,380 |
| 2011/12 7.2 Total | (5,050) | 40,831 | 35,781 | 41,955 |
| 2008/09 7.2 Total | (4,472) | 37,019 | 32,547 | 28,196 |

7.3 PARKING

What's included here

We provide on-street parking spaces in the central city and provide off-street parking at Clifton Terrace, the Michael Fowler Centre, and beneath Civic Square so people can conveniently access the city.

Why it's important

Central city car and motorbike parking is important for shoppers, people working in the city, visitors to the city, and people coming in to the city for recreational activities. It is also necessary to allow for goods to be picked up and delivered throughout the city. The provision of car parking helps make Wellington a liveable, prosperous city.

Contribution to community outcomes

This activity contributes to the following community outcomes: 'Wellington's transport system will be designed to meet the

needs of its people efficiently and sustainably', and 'Links by land, air and sea will meet the needs of people and enterprises'.

What we'll provide – our level of service

We'll continue to provide more than 12,000 on-street parking spaces in the central city and surrounds. In addition, we'll provide off-street parking at Clifton Terrace, the Michael Fowler Centre, and beneath Civic Square.

We'll regulate and enforce parking times and impose charges using meters and pay-and-display machines to ensure as many people as possible can access parking spaces, and that the roading network is free of obstructions.

On the fringes of the central city, we'll continue to operate coupon parking zones and resident parking areas to balance the needs of residents, visitors, shoppers and commuters.

We are currently reviewing our parking policy. The review will take into account the needs of residents and businesses as well as safety and the need to keep the road corridor free of obstructions. The resident and coupon parking scheme will be included as part of the review.

How we'll measure our level of service and performance

We'll know we're succeeding when the average inner city car park 'turn-over rate' is maintained and when there is greater compliance with our parking regulations. Our performance targets are detailed in the table below:

| OUTCOMES WE SEEK | | MEASURING PROGRESS TOWARDS OUR OUTCOMES | | | | | |
|--|---|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| MORE LIVEABLE | | • See outcome indicators for Transport Planning and Policy, and Transport Network | | | | | |
| COUNCIL ACTIVITY LEVELS OF SERVICE | MEASURING OUR PERFORMANCE | BASELINE 2008 | 2009/10 | 2010/11 | 2011/12 | 2012/13–2018/19 | |
| | We provide convenient on-street parking throughout the city to ensure as many people as possible can access parking spaces. | On-street car park turn-over rates – weekdays and weekends | Weekdays 4.3 Weekends 6.8 | Weekdays 4.3 Weekends 6.8 | Weekdays 4.3 Weekends 6.8 | Weekdays 4.3 Weekends 6.8 | Weekdays 4.3 Weekends 6.8 |
| | | On-street car park average occupancy | 73% | 75% | 75% | 75% | 75% |
| | | On-street car park compliance – time restrictions and payment | Time 95% Payment 87% | Time 95% Payment 87% | Time 95% Payment 87% | Time 95% Payment 87% | Time 95% Payment 87% |
| Resident satisfaction with the availability of on-street car parking | | New measure | 85% | 85% | 85% | 85% | |

How we manage our assets that support this activity

Parking meters and pay-and-display machines are managed in line with our Transportation, Traffic and Roading Asset Management Plan. A full parking meter replacement programme was undertaken in 2004/05. Approximately 1300 meters were removed and replaced with 500 pay-and-display machines. A number of meters were retained in areas that weren't suitable for pay-and-display. These service mobility parks.

There is currently no machine on the market to provide for the needs of mobility park users. We are currently designing a multi functional pay and display machine that will allow for accessible use. These will be installed in 2011/12. They will replace the aging meters and the 'classic' pay and display machines that have limited payment options.

WHO SHOULD PAY

| Activity component | User fees | Other income | Rates | General rate | Residential target | Commercial target | Downtown/ other |
|--------------------|-----------|--------------|-------|--------------|--------------------|-------------------|-----------------|
| 7.3.1 Parking | 100% | - | - | - | - | - | - |

For more information on how we fund our activities see the Revenue and Financing Policy in volume two.

WHAT IT WILL COST

| 7.3 Parking | Operating expenditure 2009–2012 | | | Capital expenditure 2009–2012 | |
|-------------------|---------------------------------|---------------------|-------------------------|-------------------------------|--|
| | Income (\$000) | Expenditure (\$000) | Net expenditure (\$000) | Total (\$000) | |
| 7.3.1 Car parking | (26,060) | 11,201 | (14,859) | 287 | |
| 2009/10 7.3 Total | (26,060) | 11,201 | (14,859) | 287 | |
| 2010/11 7.3 Total | (26,842) | 11,465 | (15,377) | 296 | |
| 2011/12 7.3 Total | (27,649) | 11,663 | (15,986) | 1,350 | |
| 2008/09 7.3 Total | (24,136) | 10,097 | (14,039) | 993 | |

10-year Financial Projections – Transport

Operational Expenditure (\$'000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 664 | 7.1 | Transport planning and policy | 928 | 821 | 1,236 | 1,006 | 887 | 907 | 932 | 956 | 982 | 1,016 |
| 37,019 | 7.2 | Transport networks | 36,432 | 38,187 | 40,831 | 42,566 | 43,867 | 46,497 | 47,577 | 48,576 | 52,452 | 53,462 |
| 10,097 | 7.3 | Parking | 11,201 | 11,465 | 11,663 | 11,955 | 11,777 | 12,144 | 12,534 | 12,930 | 13,341 | 13,751 |
| 47,780 | | Total Operating Expenditure | 48,561 | 50,473 | 53,730 | 55,527 | 56,531 | 59,548 | 61,043 | 62,462 | 66,775 | 68,229 |
| 7,757 | | Less: Non-funded Depreciation | 7,521 | 7,742 | 8,580 | 8,830 | 9,043 | 9,789 | 10,116 | 10,396 | 11,636 | 11,532 |
| 40,023 | | Total Operating Expenditure to be funded | 41,040 | 42,731 | 45,150 | 46,697 | 47,488 | 49,759 | 50,927 | 52,066 | 55,139 | 56,697 |
| | | Operating expenditure funded by: | | | | | | | | | | |
| 25,721 | | Direct activity income | 27,833 | 28,667 | 29,531 | 30,422 | 31,339 | 32,258 | 33,232 | 34,234 | 35,264 | 36,321 |
| 11,354 | | General Rates | 9,777 | 10,627 | 11,767 | 12,503 | 12,366 | 13,610 | 13,680 | 13,690 | 15,602 | 15,968 |
| 22 | | Targeted Rates | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 |
| 2,926 | | Grants & Subsidies | 3,397 | 3,404 | 3,819 | 3,739 | 3,750 | 3,858 | 3,982 | 4,109 | 4,240 | 4,375 |
| - | | Other Income | - | - | - | - | - | - | - | - | - | - |
| 40,023 | | Total Funding for Operational Expenditure | 41,040 | 42,731 | 45,150 | 46,697 | 47,488 | 49,759 | 50,927 | 52,066 | 55,139 | 56,697 |

10-year Financial Projections – Transport

Capital Expenditure (\$000)

| Annual Plan 2008/09 | Activity | Activity Name | Forecast 2009/10 | Forecast 2010/11 | Forecast 2011/12 | Forecast 2012/13 | Forecast 2013/14 | Forecast 2014/15 | Forecast 2015/16 | Forecast 2016/17 | Forecast 2017/18 | Forecast 2018/19 |
|------------------------|----------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 28,196 | 7.2 | Transport networks | 33,220 | 42,380 | 41,955 | 36,746 | 37,474 | 40,626 | 38,170 | 41,080 | 44,664 | 102,352 |
| 993 | 7.3 | Parking | 287 | 296 | 1,350 | 311 | 1,217 | 1,242 | 1,271 | 1,301 | 1,332 | 1,367 |
| 29,189 | | Total Capital Expenditure | 33,507 | 42,676 | 43,305 | 37,057 | 38,691 | 41,868 | 39,441 | 42,381 | 45,996 | 103,719 |
| | | Capital expenditure funded by: | | | | | | | | | | |
| 10,297 | | Depreciation | 10,905 | 11,181 | 12,317 | 12,863 | 12,837 | 14,201 | 14,620 | 15,031 | 16,906 | 17,115 |
| 10,484 | | Grants & Subsidies | 14,418 | 16,150 | 15,643 | 15,360 | 17,909 | 17,624 | 15,474 | 15,946 | 16,413 | 76,407 |
| 515 | | Development Contributions | 1,091 | 1,703 | 2,307 | 2,639 | 2,735 | 2,747 | 2,758 | 2,758 | 2,758 | 2,758 |
| 7,893 | | Borrowings and working capital* | 7,093 | 13,642 | 13,038 | 6,195 | 5,210 | 7,296 | 6,589 | 8,646 | 9,919 | 7,439 |
| 29,189 | | Total Funding for Capital Expenditure | 33,507 | 42,676 | 43,305 | 37,057 | 38,691 | 41,868 | 39,441 | 42,381 | 45,996 | 103,719 |

* A debit balance indicates increased borrowings, while a (credit) balance indicates a funding surplus in that year which offsets borrowings and working capital.



PART FOUR: OUR FINANCES

- **Funding Impact Statement**
- **Forecast Financial Statements**
- **Statement of Significant Accounting Policies**
- **Significant Forecasting Assumptions**

Funding impact statement

– Operating expenditure

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | OPERATING STATEMENT | | | | | | | | | | |
| 328,064 | Total project expenditure | 342,061 | 357,908 | 373,669 | 383,738 | 392,124 | 404,086 | 416,238 | 425,930 | 441,086 | 454,627 |
| 500 | Self-insurance reserve | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| 328,564 | Total operating expenditure | 342,561 | 358,408 | 374,169 | 384,238 | 392,624 | 404,586 | 416,738 | 426,430 | 441,586 | 455,127 |
| 1,735 | Add back City Housing ring-fenced surplus | 1,342 | 2,189 | 2,055 | 1,584 | 1,772 | 1,952 | 1,279 | 2,200 | 2,944 | 1,915 |
| | Less expenditure not funded under section 100 of LGA: | | | | | | | | | | |
| (7,757) | NZTA funded projects | (7,521) | (7,742) | (8,580) | (8,830) | (9,043) | (9,789) | (10,116) | (10,396) | (11,636) | (11,532) |
| (2,767) | Cleanwater sewerage treatment plant | (2,768) | (2,768) | (2,990) | (2,987) | (2,987) | (3,241) | (3,241) | (3,241) | (3,458) | (3,458) |
| (766) | Living Earth joint venture | (197) | (187) | (201) | (201) | (201) | (219) | (219) | (219) | (238) | (206) |
| 319,009 | Total operating expenditure to be funded | 333,417 | 349,900 | 364,453 | 373,804 | 382,165 | 393,289 | 404,441 | 414,774 | 429,198 | 441,846 |
| | FUNDED BY: | | | | | | | | | | |
| 112,383 | General rates | 116,763 | 126,123 | 131,473 | 137,050 | 140,310 | 143,894 | 148,169 | 152,332 | 157,428 | 162,531 |
| | Targeted rates: | | | | | | | | | | |
| 30,864 | Sewerage rates (including trade waste) | 30,252 | 30,971 | 31,921 | 32,349 | 32,703 | 33,918 | 34,404 | 34,853 | 36,191 | 36,822 |
| 29,668 | Water rate | 33,420 | 34,172 | 35,525 | 36,609 | 37,682 | 39,910 | 41,087 | 42,270 | 44,862 | 46,445 |
| 12,432 | Stormwater rate | 13,999 | 14,467 | 15,108 | 15,378 | 15,480 | 16,311 | 16,442 | 16,545 | 17,510 | 17,938 |
| 6,521 | Base (residential) sector targeted rate | 6,451 | 6,534 | 6,607 | 6,733 | 6,899 | 6,983 | 7,221 | 7,450 | 7,561 | 7,791 |
| 1,858 | Commercial sector targeted rate | 2,957 | 3,154 | 4,489 | 2,881 | 2,945 | 3,007 | 3,079 | 3,152 | 3,228 | 3,316 |
| 9,947 | Downtown levy | 10,103 | 11,103 | 11,462 | 10,628 | 10,809 | 11,167 | 11,375 | 11,590 | 11,814 | 12,063 |
| 22 | Tawa driveways levy | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 |
| 14 | Marsden Village levy | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| 91,326 | Total targeted rates | 97,229 | 100,448 | 105,159 | 104,625 | 106,565 | 111,343 | 113,655 | 115,907 | 121,213 | 124,422 |
| 203,709 | Total rates to fund operating expenditure | 213,992 | 226,571 | 236,632 | 241,675 | 246,875 | 255,237 | 261,824 | 268,239 | 278,641 | 286,953 |

Funding impact statement – Operating expenditure continued...

| | | | | | | | | | | | |
|----------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 72,700 | USER CHARGES | 75,141 | 76,326 | 80,087 | 83,027 | 86,158 | 88,091 | 90,974 | 93,700 | 96,324 | 99,340 |
| | OTHER INCOME | | | | | | | | | | |
| 32,215 | Ground and commercial leases | 32,498 | 35,231 | 35,504 | 36,903 | 36,873 | 37,542 | 39,043 | 40,722 | 41,968 | 43,132 |
| 4,750 | Dividends | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 |
| 3,472 | NZTA subsidies | 3,960 | 3,984 | 4,415 | 4,354 | 4,383 | 4,510 | 4,653 | 4,801 | 4,953 | 5,109 |
| 401 | Housing grants | 514 | 476 | 503 | 533 | 564 | 597 | 635 | - | - | - |
| 1,000 | Petrol tax | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| 762 | Miscellaneous | 962 | 962 | 962 | 962 | 962 | 962 | 962 | 962 | 962 | 962 |
| 319,009 | Total funding for operating expenditure | 333,417 | 349,900 | 364,453 | 373,804 | 382,165 | 393,289 | 404,441 | 414,774 | 429,198 | 441,846 |

Funding impact statement – Capital expenditure and loans to other organisations

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 61,825 | Renewal capital expenditure | 67,996 | 67,749 | 70,983 | 75,392 | 80,376 | 81,398 | 80,624 | 77,528 | 89,874 | 82,573 |
| 55,853 | Upgrade capital expenditure | 46,350 | 94,198 | 72,743 | 66,559 | 67,677 | 71,509 | 49,353 | 42,628 | 54,392 | 116,967 |
| 21,775 | Capital expenditure carried forward from 2007/08 | 400 | 6,860 | - | - | - | - | - | - | - | - |
| - | Capital expenditure carried forward from 2008/09 | 25,000 | - | - | - | - | - | - | - | - | - |
| 139,453 | Total capital expenditure to be funded | 139,746 | 168,807 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |
| 5,000 | Loans to other organisations | 3,380 | - | - | - | - | - | - | - | - | - |
| 144,453 | Total capital expenditure and loans to be funded | 143,126 | 168,807 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |
| FUNDED BY: | | | | | | | | | | | |
| 55,813 | Depreciation | 61,023 | 62,829 | 69,925 | 73,650 | 76,684 | 78,831 | 80,624 | 77,528 | 89,874 | 82,573 |
| 10,484 | NZTA subsidies | 14,418 | 16,150 | 15,643 | 15,360 | 17,909 | 17,624 | 15,474 | 15,946 | 16,413 | 76,407 |
| 11,599 | Housing grants | 12,986 | 37,038 | 43,026 | 34,512 | 27,499 | 31,485 | 19,468 | 2,000 | 1,000 | - |
| 2,357 | Development contributions | 4,524 | 7,065 | 9,588 | 10,624 | 11,012 | 11,058 | 11,105 | 11,105 | 11,105 | 11,105 |
| 2,580 | Bequests & grants | 745 | - | - | - | - | - | - | - | - | - |
| 61,620 | Borrowings | 49,430 | 45,725 | 5,544 | 7,805 | 14,949 | 13,909 | 3,306 | 13,577 | 25,874 | 29,455 |
| 144,453 | Total funding for capital expenditure and loans to other organisations | 143,126 | 168,807 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |

Funding impact statement – Borrowing

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 273,500 | Opening Gross Borrowings | 280,000 | 324,881 | 356,121 | 355,910 | 348,656 | 353,923 | 351,923 | 340,184 | 339,610 | 357,027 |
| 61,620 | New borrowings to fund capital expenditure and loans to other organisations | 49,430 | 45,725 | 5,544 | 7,805 | 14,949 | 13,909 | 3,306 | 13,577 | 25,874 | 29,455 |
| | REPAYMENT OF BORROWINGS FUNDED THROUGH RATES AND OTHER SOURCES: | | | | | | | | | | |
| (1,132) | Asset proceeds/Targeted rates | - | (8,250) | - | (8,375) | (4,700) | (8,200) | (5,700) | - | - | - |
| (4,209) | Ring-fenced housing surpluses | (4,549) | (5,896) | (5,416) | (6,345) | (4,643) | (7,370) | (6,981) | (3,235) | (4,851) | (7,510) |
| - | Repayment of loans | - | (339) | (339) | (339) | (339) | (339) | (339) | (339) | (339) | (339) |
| - | Depreciation | - | - | - | - | - | - | (2,025) | (10,577) | (3,267) | (9,001) |
| 329,779 | Closing Gross Borrowing | 324,881 | 356,121 | 355,910 | 348,656 | 353,923 | 351,923 | 340,184 | 339,610 | 357,027 | 369,632 |

Statement of Prospective Capital Expenditure and Capital Expenditure Funding

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | CAPITAL EXPENDITURE: | | | | | | | | | | |
| 61,825 | Renewals | 67,996 | 67,749 | 70,983 | 75,392 | 80,376 | 81,398 | 80,624 | 77,528 | 89,874 | 82,573 |
| 55,853 | New assets | 46,350 | 94,198 | 72,743 | 66,559 | 67,677 | 71,509 | 49,353 | 42,628 | 54,392 | 116,967 |
| 117,678 | Total annual capital expenditure programme | 114,346 | 161,947 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |
| | RENEWALS FUNDED BY: | | | | | | | | | | |
| 55,813 | Depreciation | 61,023 | 62,829 | 69,925 | 73,650 | 76,684 | 78,831 | 80,624 | 77,528 | 89,874 | 82,573 |
| 6,012 | Borrowings | 6,973 | 4,920 | 1,058 | 1,742 | 3,692 | 2,567 | - | - | - | - |
| | NEW ASSETS FUNDED BY: | | | | | | | | | | |
| 28,833 | Borrowings | 13,677 | 33,945 | 4,486 | 6,063 | 11,257 | 11,342 | 3,306 | 13,577 | 25,874 | 29,455 |
| 11,599 | Housing grants | 12,986 | 37,038 | 43,026 | 34,512 | 27,499 | 31,485 | 19,468 | 2,000 | 1,000 | - |
| 2,357 | Development contributions | 4,524 | 7,065 | 9,588 | 10,624 | 11,012 | 11,058 | 11,105 | 11,105 | 11,105 | 11,105 |
| 10,484 | NZTA subsidies | 14,418 | 16,150 | 15,643 | 15,360 | 17,909 | 17,624 | 15,474 | 15,946 | 16,413 | 76,407 |
| 2,580 | Bequests | 745 | - | - | - | - | - | - | - | - | - |
| 117,678 | Total capital expenditure funding | 114,346 | 161,947 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |

Note that the annual capital expenditure programme excludes expenditure carried forward from previous years.

Funding impact statement (Housing) – Operating expenditure

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | OPERATING STATEMENT | | | | | | | | | | |
| 10,572 | Total project expenditure | 11,465 | 10,704 | 10,509 | 10,521 | 10,480 | 10,376 | 10,505 | 10,791 | 10,791 | 11,207 |
| 4,960 | Depreciation | 5,385 | 5,516 | 6,143 | 7,900 | 7,897 | 8,412 | 10,229 | 9,759 | 9,989 | 11,515 |
| 15,532 | Total operating expenditure | 16,850 | 16,220 | 16,652 | 18,421 | 18,377 | 18,788 | 20,734 | 20,550 | 20,780 | 22,722 |
| | FUNDED BY: | | | | | | | | | | |
| 16,866 | User charges (rental income) | 17,678 | 17,933 | 18,204 | 19,471 | 19,585 | 20,143 | 21,378 | 22,750 | 23,724 | 24,637 |
| 401 | Housing grants | 514 | 476 | 503 | 533 | 564 | 597 | 635 | - | - | - |
| 17,267 | Total funding for operating expenditure | 18,192 | 18,409 | 18,707 | 20,004 | 20,149 | 20,740 | 22,013 | 22,750 | 23,724 | 24,637 |
| 1,735 | Ringfenced operating funding surplus | 1,342 | 2,189 | 2,055 | 1,583 | 1,772 | 1,952 | 1,279 | 2,200 | 2,944 | 1,915 |

This information is incorporated into and forms part of the Funding Impact Statement – Operating expenditure

Funding impact statement (Housing) – Capital expenditure

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 2,486 | Renewal capital expenditure | 2,177 | 1,809 | 2,782 | 3,139 | 5,027 | 2,995 | 4,527 | 2,409 | 6,500 | 3,250 |
| 7,099 | Upgrade capital expenditure | 12,986 | 37,038 | 43,026 | 34,512 | 27,499 | 31,485 | 19,468 | 8,315 | 2,582 | 2,671 |
| 9,585 | Total capital expenditure to be funded | 15,163 | 38,847 | 45,808 | 37,651 | 32,526 | 34,480 | 23,995 | 10,724 | 9,082 | 5,921 |
| | FUNDED BY: | | | | | | | | | | |
| 4,960 | Depreciation | 5,385 | 5,516 | 6,143 | 7,900 | 7,897 | 8,412 | 10,229 | 9,759 | 9,989 | 11,515 |
| 7,099 | Housing grants | 12,986 | 37,038 | 43,026 | 34,512 | 27,499 | 31,485 | 19,468 | 2,000 | 1,000 | - |
| 12,059 | Total funding for capital expenditure | 18,371 | 42,554 | 49,169 | 42,412 | 35,396 | 39,897 | 29,697 | 11,759 | 10,989 | 11,515 |
| 2,474 | Ringfenced Capital funding surplus | 3,208 | 3,707 | 3,361 | 4,761 | 2,870 | 5,417 | 5,702 | 1,035 | 1,907 | 5,594 |

This information is incorporated into and forms part of the Funding Impact Statement – Capital expenditure and loans to other organisations

Funding impact statement (Housing) – Borrowing/Investments

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 16,300 | Opening Gross Borrowings/ Investments | 11,385 | 6,835 | 939 | (4,477) | (10,821) | (15,463) | (22,832) | (29,813) | (33,048) | (37,899) |
| (1,735) | Ring-fenced housing operating surplus | (1,342) | (2,189) | (2,055) | (1,583) | (1,772) | (1,952) | (1,279) | (2,200) | (2,944) | (1,915) |
| (2,474) | Ring-fenced housing capital funding surplus | (3,208) | (3,707) | (3,361) | (4,761) | (2,870) | (5,417) | (5,702) | (1,035) | (1,907) | (5,594) |
| 12,091 | Closing Gross Borrowings/Investments | 6,835 | 939 | (4,477) | (10,821) | (15,463) | (22,832) | (29,813) | (33,048) | (37,899) | (45,408) |

This information is incorporated into and forms part of the Funding Impact Statement – Borrowings.

2009/10 Rates funding statement

| Rate | Factor | Differentiation | Total Value of Factor | Rate/charge | Rates yield GST Inclusive |
|--|-------------------------|---|-----------------------|-------------------------|---------------------------|
| | | | | | (\$000's) |
| GENERAL RATE | Capital Value | Base differential use | \$35,583,696,000 | €0.178051 | 63,357 |
| | Capital Value | Commercial, industrial & business use | \$11,141,407,000 | €0.610341 | 68,000 |
| | TOTAL | | | | 131,357 |
| SEWERAGE RATE | Fixed charge | Base differential use / connection status | 64,224 properties | \$112.50 | 7,225 |
| | Capital Value | Base differential use / connection status | \$37,440,671,000 | €0.036448 | 13,646 |
| | Capital Value | Commercial, industrial and business use/connection status | \$9,676,223,000 | €0.136029 | 13,163 |
| | TOTAL | | | | 34,034 |
| WATER RATE | Fixed charge | Base differential use/connection status (without water meter) | 57,994 properties | \$125.00 | 7,249 |
| | Capital Value | Base differential use/connection status (without water meter) | \$31,265,302,000 | €0.047310 | 14,792 |
| | Consumption unit charge | Base differential use/connection status (water meter) | n/a | \$1.78 / m ³ | 444 |
| | Fixed charge | Base differential use/connection status (water meter) | n/a | \$107.00 | 74 |
| | Capital Value | Commercial, industrial and business use /connection status (without water meter) | \$955,382,000 | €0.236568 | 2,260 |
| | Consumption unit charge | Commercial, industrial and business use /connection status (water meter) | n/a | \$1.78 / m ³ | 12,512 |
| | Fixed charge | Commercial, industrial and business use /connection status (water meter) | n/a | \$107.00 | 266 |
| TOTAL | | | | 37,597 | |
| STORMWATER RATE | Capital Value | Base differential use (excluding rural) | \$35,069,518,000 | €0.034803 | 12,205 |
| | Capital Value | Commercial, industrial and business use (excluding rural) | 10,126,940,000 | €0.034993 | 3,544 |
| | TOTAL | | | | 15,749 |
| BASE SECTOR TARGETED RATE | Capital Value | Residential use | \$35,583,696,000 | €0.020395 | 7,257 |
| COMMERCIAL SECTOR TARGETED RATE | Capital Value | Commercial, industrial & business use | \$11,141,407,000 | €0.029858 | 3,327 |
| DOWNTOWN LEVY | Capital Value | Commercial, industrial & business use / central city location | \$7,708,420,000 | €0.147448 | 11,366 |
| TAWA DRIVEWAYS LEVY | Fixed charge | Shared residential access driveways in the suburb of Tawa and maintained by the Council | 251 properties | \$150.00 | 38 |
| MARSDEN VILLAGE LEVY | Capital Value | Commercial, industrial & business use located in Marsden shopping village | \$12,420,000 | €0.126800 | 16 |
| TOTAL RATES REQUIREMENT (INCLUDING GST) | | | | | 240,741 |

Rating Mechanisms

RATES

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database. Where rates are based on value, the capital value of the property as assessed annually by Quotable Value New Zealand Limited will apply. The latest revaluation was carried out as at 1 September 2007 and will remain effective for the 200/10 rating year, except where subsequent maintenance valuations have been required under valuation rules or council's rating policies.

Policy Objective

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

GENERAL RATES

General rates are set under section 13 of the Local Government (Rating) Act 2002 on all rateable rating units in the City of Wellington.

The Council sets a general rate based on the Capital Value of each rating unit within the city.

The general rate will be set on a differential basis, based on land use. All rating units (or part thereof) will be classified for the purposes of General rates within one of the following rating differentials:

DIFFERENTIAL RATING CATEGORIES NON-RATEABLE

Includes any land referred to in Part 1, Schedule 1 of the Local Government (Rating Act 2002). This land is non-rateable with the exception of targeted rates for sewerage and water where rates are applicable.

50 PERCENT NON-RATEABLE

Includes all land referred to in Part 2, Schedule 1 of the Local Government (Rating) Act 2002. This land is 50 percent non-rateable in respect of the rates that would have applied had the property not been classified as non-rateable, with the exception of targeted rates for sewerage and water for which the land is fully rateable.

BASE DIFFERENTIAL

This includes:

- Separately rateable land used solely for one or more household units; excluding those properties that are used principally to provide short stay (28 days or less) commercial accommodation for which a tariff is charged

- Vacant land zoned residential

- Rural land (including farmland and lifestyle blocks) under the District Plan that is administered by Council, but excluding any rating unit that is zoned rural industrial

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

COMMERCIAL, INDUSTRIAL AND BUSINESS DIFFERENTIAL

This includes:

- Separately rateable land used for a commercial or industrial purpose
- Vacant land zoned commercial, industrial or rural industrial under the District Plan administered by the Council
- Land used for offices, administrative and/or associated functions
- Land used for commercial accommodation for which a tariff is charged and where the principal purpose is the provision of short stay accommodation
- Business-related premises used principally for private pecuniary benefit
- Utility networks
- Any property not otherwise categorised within the Base differential.

ANNUAL UNIFORM GENERAL CHARGE

The Council does not assess a Uniform Annual General Charge.

DIFFERENTIAL RATING CATEGORY CONDITIONS

- The Council has resolved to achieve a target in 2011/12, which modifies the differential apportionment so that the commercial, industrial and business sector pay 2.8 times the General rate per dollar of capital value payable by those properties incorporated under the Base (Residential) differential. For 2009/10 the General rate differential ratio will be 3.45:1.
- The separated parts of a rating unit will be differentially rated where a part of the property is non-rateable or the property fits under one or more rating differential and either:
 - a) The total capital value of the rating unit is above \$800,000 or
 - b) Minority use(s) account for more than 30 percent of the total capital value of the rating unit.

In any other case, the General rate differential is determined by principal use.

- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a building consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
 - a) The time at which the Council gives final approval of the completed works, or
 - b) The property is deemed (by the Council) to be available for its intended use.

In situations where the change in land use does not require a Council consent, but warrants a change in differential rating

category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.

- The rating differential classification of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential classification during a rating year will apply from 1 July of the following rating year.
- Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Local Government (Rating) Act will be first classified under the appropriate General rate differential classifications and the non-rateability applied to that rate.

TARGETED RATES

Targeted Rates are set under section 16 of the Local Government (Rating) Act 2002.

SEWERAGE RATE

A targeted sewerage rate is to be apportioned 60 percent: 40 percent between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the infrastructure and sewage treatment facilities for the city.

For the purposes of these rates the sewage collection and disposal service is treated as being provided if the rating unit is connected to a public sewerage drain (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Local Government (Rating) Act 2002.

The targeted Sewage rate is calculated as follows:

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

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

For rating units incorporated in the Base differential:

A fixed amount of \$112.50 (incl. GST) and a rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 60 percent of the required rate funding.

WATER RATE

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

This rate pays for water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is set on all rating units serviced by a water connection.

For the purposes of these rates, the water service is treated as being provided if the rating unit is connected to the public water supply (either directly or indirectly), irrespective of whether the property is fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Local Government (Rating) Act 2002.

The targeted Water rate is calculated as follows:

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

- a) A fixed water meter charge of \$1.78 (incl. GST) per cubic meter of water used by all rating units connected to the public water supply with a water meter installed, plus an administrative charge of \$107.00 (incl. GST) per annum, or
- b) A rate per dollar of capital value on all rating units connected to the public water supply, without a water meter installed.

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

- a) A fixed water meter charge of \$1.78 (incl. GST) per cubic meter of water used by all rating units connected to the public water supply with a water meter installed, plus an administrative charge of \$107.00 (incl. GST) per annum, or
- b) A fixed amount of \$125.00 (incl. GST) per rating unit and a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed, to collect the required Base differential contribution.

STORMWATER NETWORK RATE

A targeted stormwater rate is to be apportioned 77.5 percent to the non-rural rating units incorporated under the Base differential and 22.5 percent to the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the stormwater collection/disposal network for the city.

Properties classified as “rural” under the Council’s operative District Plan are excluded from the liability of this rate.

The targeted Stormwater network rate is calculated as follows:

For non-rural rating units incorporated in the Commercial, Industrial and Business differential:

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

For non-rural rating units incorporated in the Base differential:

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

COMMERCIAL, INDUSTRIAL AND BUSINESS SECTOR TARGETED RATE

This rate pays for activities where the Council’s Revenue and Financing Policy identifies that the benefit can be attributed to the commercial, industrial and business sector and where the activity is not incorporated in other service related targeted rates. This incorporates the following:

- 100% of the cost of the events attraction and support activity

This rate is levied on all properties incorporated in the commercial, industrial and business sector and is calculated on a rate per dollar of rateable capital value.

BASE SECTOR TARGETED RATE

This rate pays for activities where the Council’s Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category (incorporating residential ratepayers).

This incorporates the following activities:

- 100% of the facilitation of community environmental initiatives, cultural grants, facilitation of recreation partnerships and community advocacy activities.

- 98% of the provision of community centres and halls activities.

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

DOWNTOWN LEVY

This rate pays for tourism promotion and facilitation of suburban and city centre vitality. It also pays for 70% of the visitor attractions activity and 25% of the provision of galleries and museums activity.

This rate is levied on all commercial, industrial and business properties in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purpose of this rate, the downtown area refers to the area designated as the “Central Area” under the operative Wellington City District Plan.

TAWA DRIVEWAYS LEVY

This rate pays for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council. This rate is levied on a specific group of rating units in the former Tawa Borough at a fixed amount of \$150 (including GST).

MARSDEN VILLAGE LEVY

This rate is collected by the Council on behalf of the Marsden Village Association on all commercial, industrial and business properties in the Marsden shopping village and is calculated on a rate per dollar of capital value.

RATES REMISSION AND POSTPONEMENT POLICIES

Refer to the Council Remission and Postponement Policies contained in volume 2 of this document.

Forecast Financial Statements

Prospective Statement of Comprehensive Financial Performance

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | INCOME | | | | | | | | | | |
| 204,841 | Revenue from rates and levies | 213,992 | 226,571 | 236,632 | 241,675 | 246,875 | 255,237 | 261,824 | 268,239 | 278,641 | 286,953 |
| 122,048 | Revenue from operating activities | 128,742 | 158,894 | 168,934 | 164,372 | 163,055 | 169,503 | 159,811 | 146,714 | 150,182 | 213,401 |
| 10,907 | Revenue from investment property leases | 10,377 | 9,900 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 |
| 5,673 | Finance income | 5,448 | 5,461 | 5,475 | 5,491 | 5,509 | 5,529 | 5,552 | 5,577 | 5,606 | 5,639 |
| 4,515 | Other revenues and gains | 7,630 | 9,437 | 11,973 | 13,081 | 13,483 | 13,543 | 13,681 | 13,700 | 13,719 | 13,830 |
| 347,984 | TOTAL INCOME | 366,189 | 410,263 | 432,836 | 434,441 | 438,744 | 453,634 | 450,690 | 444,052 | 457,970 | 529,645 |
| | EXPENSE | | | | | | | | | | |
| 22,656 | Finance expense | 21,891 | 23,641 | 23,934 | 24,102 | 23,779 | 23,610 | 23,031 | 22,581 | 23,181 | 24,150 |
| 235,832 | Expenditure on operating activities | 245,454 | 257,032 | 264,678 | 269,207 | 276,559 | 282,979 | 291,280 | 300,353 | 307,526 | 318,113 |
| 69,577 | Depreciation and amortisation | 74,716 | 77,235 | 85,057 | 90,429 | 91,786 | 97,497 | 101,927 | 102,996 | 110,379 | 112,364 |
| 328,065 | TOTAL EXPENSE | 342,061 | 357,908 | 373,669 | 383,738 | 392,124 | 404,086 | 416,238 | 425,930 | 441,086 | 454,627 |
| 19,919 | Total operating surplus/(deficit) | 24,128 | 52,355 | 59,167 | 50,703 | 46,620 | 49,548 | 34,452 | 18,122 | 16,884 | 75,018 |
| - | Income tax expense | - | - | - | - | - | - | - | - | - | - |
| 19,919 | NET SURPLUS/(DEFICIT) FOR THE YEAR | 24,128 | 52,355 | 59,167 | 50,703 | 46,620 | 49,548 | 34,452 | 18,122 | 16,884 | 75,018 |
| | OTHER COMPREHENSIVE INCOME | | | | | | | | | | |
| - | Revaluations – net gain | - | 160,442 | 56,846 | - | 198,662 | 75,861 | - | 239,872 | 84,711 | - |
| - | TOTAL OTHER COMPREHENSIVE INCOME | - | 160,442 | 56,846 | - | 198,662 | 75,861 | - | 239,872 | 84,711 | - |
| 19,919 | TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 24,128 | 212,797 | 116,013 | 50,703 | 245,282 | 125,409 | 34,452 | 257,994 | 101,595 | 75,018 |

Note that in accordance with NZ IAS 1 Presentation of Financial Statements, Total Comprehensive Income includes the Net Surplus plus the effect of Other Comprehensive Income items (ie the forecast revaluation of our Property, Plant and Equipment)

Prospective Statement of Financial Position

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|----------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | ASSETS | | | | | | | | | | |
| | Current assets | | | | | | | | | | |
| 1,883 | Cash and cash equivalents | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 |
| - | Derivative financial instruments | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 | 173 |
| 32,529 | Trade and other receivables | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 | 33,600 |
| 1,005 | Inventories | 960 | 960 | 960 | 960 | 960 | 960 | 960 | 960 | 960 | 960 |
| 35,417 | Total current assets | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 | 37,040 |
| | Non-current assets | | | | | | | | | | |
| 5,468 | Derivative financial instruments | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 | 2,382 |
| 15,611 | Other financial assets | 3,524 | 3,616 | 3,722 | 3,844 | 3,984 | 4,144 | 4,327 | 4,535 | 4,772 | 5,042 |
| 8,815 | Intangibles | 14,148 | 14,879 | 16,318 | 16,082 | 18,686 | 18,518 | 14,855 | 12,226 | 14,297 | 15,478 |
| 215,282 | Investment properties | 220,368 | 212,118 | 212,118 | 203,743 | 199,043 | 190,843 | 185,143 | 185,143 | 185,143 | 185,143 |
| 5,924,407 | Property, plant & equipment | 6,007,237 | 6,259,820 | 6,375,083 | 6,427,984 | 6,681,406 | 6,813,910 | 6,846,672 | 7,107,348 | 7,224,861 | 7,311,830 |
| 6,509 | Investment in subsidiaries | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 | 6,509 |
| 19,558 | Investment in associates | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 | 19,558 |
| 6,195,650 | Total non-current assets | 6,273,726 | 6,518,882 | 6,635,690 | 6,680,102 | 6,931,568 | 7,055,864 | 7,079,446 | 7,337,701 | 7,457,522 | 7,545,942 |
| 6,231,067 | TOTAL ASSETS | 6,310,766 | 6,555,922 | 6,672,730 | 6,717,142 | 6,968,608 | 7,092,904 | 7,116,486 | 7,374,741 | 7,494,562 | 7,582,982 |

Prospective Statement of Financial Position continued...

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | LIABILITIES | | | | | | | | | | |
| | Current liabilities | | | | | | | | | | |
| 54,833 | Trade and other payables | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 | 58,185 |
| 96,733 | Borrowings | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 | 108,235 |
| 6,528 | Employee benefit liabilities | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 | 7,358 |
| 4,811 | Provision for other liabilities | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 | 2,981 |
| 162,905 | Total current liabilities | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 | 176,759 |
| | Non-current liabilities | | | | | | | | | | |
| 233,046 | Borrowings | 216,646 | 247,886 | 247,675 | 240,421 | 245,688 | 243,688 | 231,949 | 231,375 | 248,792 | 261,397 |
| 1,480 | Employee benefit liabilities | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 |
| 15,926 | Provisions for other liabilities | 21,823 | 22,942 | 23,948 | 24,911 | 25,828 | 26,715 | 27,584 | 28,419 | 29,228 | 30,025 |
| 250,452 | Total non-current liabilities | 240,079 | 272,438 | 273,233 | 266,942 | 273,126 | 272,013 | 261,143 | 261,404 | 279,630 | 293,032 |
| 413,357 | TOTAL LIABILITIES | 416,838 | 449,197 | 449,992 | 443,701 | 449,885 | 448,772 | 437,902 | 438,163 | 456,389 | 469,791 |
| | EQUITY | | | | | | | | | | |
| 4,748,049 | Accumulated funds and retained earnings | 4,794,070 | 4,846,425 | 4,905,592 | 4,956,295 | 5,002,915 | 5,052,463 | 5,086,915 | 5,105,037 | 5,121,921 | 5,196,939 |
| 1,042,203 | Revaluation reserves | 1,075,322 | 1,235,764 | 1,292,610 | 1,292,610 | 1,491,272 | 1,567,133 | 1,567,133 | 1,807,005 | 1,891,716 | 1,891,716 |
| 5,468 | Hedging reserve | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 |
| 21,990 | Restricted funds | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 |
| 5,817,710 | TOTAL EQUITY | 5,893,928 | 6,106,725 | 6,222,738 | 6,273,441 | 6,518,723 | 6,644,132 | 6,678,584 | 6,936,578 | 7,038,173 | 7,113,191 |
| 6,231,067 | TOTAL EQUITY AND LIABILITIES | 6,310,766 | 6,555,922 | 6,672,730 | 6,717,142 | 6,968,608 | 7,092,904 | 7,116,486 | 7,374,741 | 7,494,562 | 7,582,982 |

Prospective Statement of Changes in Equity

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | EQUITY – OPENING BALANCES | | | | | | | | | | |
| 4,727,246 | Accumulated funds and retained earnings | 4,769,942 | 4,794,070 | 4,846,425 | 4,905,592 | 4,956,295 | 5,002,915 | 5,052,463 | 5,086,915 | 5,105,037 | 5,121,921 |
| 1,042,203 | Revaluation reserves | 1,075,322 | 1,075,322 | 1,235,764 | 1,292,610 | 1,292,610 | 1,491,272 | 1,567,133 | 1,567,133 | 1,807,005 | 1,891,716 |
| 5,468 | Hedging reserve | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 |
| 22,874 | Restricted funds | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 |
| 5,797,791 | TOTAL EQUITY – Opening balance | 5,869,800 | 5,893,928 | 6,106,725 | 6,222,738 | 6,273,441 | 6,518,723 | 6,644,132 | 6,678,584 | 6,936,578 | 7,038,173 |
| | CHANGES IN EQUITY | | | | | | | | | | |
| | Retained earnings | | | | | | | | | | |
| 19,919 | Net surplus for the year | 24,128 | 52,355 | 59,167 | 50,703 | 46,620 | 49,548 | 34,452 | 18,122 | 16,884 | 75,018 |
| (1,464) | Transfer to restricted funds | - | - | - | - | - | - | - | - | - | - |
| 2,348 | Transfer from restricted funds | - | - | - | - | - | - | - | - | - | - |
| | Revaluation reserves | | | | | | | | | | |
| - | Share of other comprehensive income | - | 160,442 | 56,846 | - | 198,662 | 75,861 | - | 239,872 | 84,711 | - |
| | Restricted Funds | | | | | | | | | | |
| (2,348) | Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - |
| 1,464 | Transfer from retained earnings | - | - | - | - | - | - | - | - | - | - |
| 19,919 | Total comprehensive income | 24,128 | 212,797 | 116,013 | 50,703 | 245,282 | 125,409 | 34,452 | 257,994 | 101,595 | 75,018 |
| | EQUITY – CLOSING BALANCES | | | | | | | | | | |
| 4,748,049 | Accumulated funds and retained earnings | 4,794,070 | 4,846,425 | 4,905,592 | 4,956,295 | 5,002,915 | 5,052,463 | 5,086,915 | 5,105,037 | 5,121,921 | 5,196,939 |
| 1,042,203 | Revaluation reserves | 1,075,322 | 1,235,764 | 1,292,610 | 1,292,610 | 1,491,272 | 1,567,133 | 1,567,133 | 1,807,005 | 1,891,716 | 1,891,716 |
| 5,468 | Hedging reserve | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 | 3,057 |
| 21,990 | Restricted funds | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 |
| 5,817,710 | TOTAL EQUITY – Closing balance | 5,893,928 | 6,106,725 | 6,222,738 | 6,273,441 | 6,518,723 | 6,644,132 | 6,678,584 | 6,936,578 | 7,038,173 | 7,113,191 |

Prospective Statement of Cash Flows

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | | | | |
| 204,841 | Receipts from rates and levies – Council | 213,992 | 226,571 | 236,632 | 241,675 | 246,875 | 255,237 | 261,824 | 268,239 | 278,641 | 286,953 |
| 100,614 | Receipts from activities and other income | 104,430 | 110,616 | 117,246 | 122,615 | 126,098 | 128,740 | 133,166 | 137,565 | 141,428 | 145,602 |
| 25,949 | Receipts from Government grants and subsidies | 32,042 | 57,815 | 63,761 | 54,938 | 50,540 | 54,406 | 40,426 | 22,949 | 22,573 | 81,729 |
| 10,907 | Receipts from investment property lease rentals | 10,377 | 9,900 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 | 9,822 |
| (211,054) | Cash paid to suppliers and employees | (219,680) | (231,767) | (238,034) | (245,025) | (251,931) | (257,741) | (265,748) | (274,317) | (280,973) | (291,009) |
| (25,277) | Grants paid | (27,561) | (26,885) | (28,151) | (25,645) | (26,045) | (26,623) | (26,901) | (27,371) | (27,859) | (28,398) |
| 105,980 | Net cash flows from operating activities | 113,600 | 146,250 | 161,276 | 158,380 | 155,359 | 163,841 | 152,589 | 136,887 | 143,632 | 204,699 |
| | CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| 4,750 | Dividends received | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 | 5,250 |
| 100 | Interest received | - | - | - | - | - | - | - | - | - | - |
| - | Loan repayments received | - | 339 | 339 | 339 | 339 | 339 | 339 | 339 | 339 | 339 |
| - | Proceeds from sale of investment properties | - | 8,250 | - | 8,375 | 4,700 | 8,200 | 5,700 | - | - | - |
| (5,000) | Loan advances made | (3,380) | - | - | - | - | - | - | - | - | - |
| (4,182) | Purchase of Intangibles | (5,027) | (4,858) | (6,725) | (5,525) | (9,239) | (6,609) | (3,413) | (3,434) | (7,628) | (6,902) |
| (135,271) | Purchase of property, plant and equipment | (134,719) | (163,949) | (137,001) | (136,426) | (138,814) | (146,298) | (126,564) | (116,722) | (136,638) | (192,638) |
| (139,603) | Net cash flows from investing activities | (137,876) | (154,968) | (138,137) | (127,987) | (137,764) | (139,118) | (118,688) | (114,567) | (138,677) | (193,951) |
| | CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| 56,279 | Increase/(Decrease) in borrowings | 44,881 | 31,240 | (211) | (7,254) | 5,267 | (2,000) | (11,739) | (574) | 17,417 | 12,605 |
| (22,656) | Interest paid on borrowings | (20,605) | (22,522) | (22,928) | (23,139) | (22,862) | (22,723) | (22,162) | (21,746) | (22,372) | (23,353) |
| 33,623 | Net cash flows from financing activities | 24,276 | 8,718 | (23,139) | (30,393) | (17,595) | (24,723) | (33,901) | (22,320) | (4,955) | (10,748) |
| - | Net increase/(decrease) in cash and cash equivalents | - | - | - | - | - | - | - | - | - | - |
| 1,883 | Cash and cash equivalents at beginning of year | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 |
| 1,883 | Cash and cash equivalents at end of year | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 | 2,307 |

Prospective Segmental Analysis by Strategy

| Annual Plan 2008/09 \$000 | | Forecast 2009/10 \$000 | Forecast 2010/11 \$000 | Forecast 2011/12 \$000 | Forecast 2012/13 \$000 | Forecast 2013/14 \$000 | Forecast 2014/15 \$000 | Forecast 2015/16 \$000 | Forecast 2016/17 \$000 | Forecast 2017/18 \$000 | Forecast 2018/19 \$000 |
|---------------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | NET SURPLUS/(DEFICIT) BY STRATEGY | | | | | | | | | | |
| (12,783) | Governance | (14,213) | (15,225) | (15,078) | (15,632) | (16,508) | (16,336) | (16,858) | (17,849) | (17,698) | (18,480) |
| (106,710) | Environment | (112,623) | (115,242) | (118,084) | (120,776) | (123,152) | (128,462) | (130,961) | (134,167) | (141,113) | (144,945) |
| (16,744) | Economic Development | (18,628) | (19,391) | (20,933) | (18,955) | (18,790) | (19,216) | (20,079) | (20,011) | (20,324) | (21,271) |
| (12,693) | Cultural Wellbeing | (12,892) | (13,807) | (14,215) | (14,742) | (14,984) | (15,219) | (15,210) | (15,504) | (15,811) | (16,176) |
| (41,015) | Social and Recreation | (41,674) | (19,951) | (18,459) | (29,868) | (38,759) | (35,442) | (50,798) | (69,509) | (71,012) | (74,306) |
| (14,610) | Urban Development | (15,090) | (15,409) | (15,557) | (15,716) | (15,694) | (16,132) | (16,545) | (16,503) | (16,523) | (17,203) |
| (19,062) | Transport | (17,331) | (18,400) | (20,381) | (21,367) | (21,442) | (23,432) | (23,829) | (24,120) | (27,272) | (27,533) |
| (223,617) | Total by Strategy | (232,451) | (217,425) | (222,707) | (237,056) | (249,329) | (254,239) | (274,280) | (297,663) | (309,753) | (319,914) |
| | COUNCIL | | | | | | | | | | |
| 204,841 | Rates | 213,992 | 226,571 | 236,632 | 241,675 | 246,875 | 255,237 | 261,824 | 268,239 | 278,641 | 286,953 |
| 38,695 | Other net revenues | 42,587 | 43,209 | 45,242 | 46,084 | 49,074 | 48,550 | 46,908 | 47,546 | 47,996 | 107,979 |
| 243,536 | Total Council | 256,579 | 269,780 | 281,874 | 287,759 | 295,949 | 303,787 | 308,732 | 315,785 | 326,637 | 394,932 |
| 19,919 | Net Surplus/(Deficit) | 24,128 | 52,355 | 59,167 | 50,703 | 46,620 | 49,548 | 34,452 | 18,122 | 16,884 | 75,018 |
| | CAPITAL EXPENDITURE BY STRATEGY | | | | | | | | | | |
| - | Governance | - | 107 | - | - | 114 | - | - | 122 | - | - |
| 30,400 | Environment | 29,690 | 28,207 | 27,353 | 31,776 | 35,695 | 42,155 | 33,479 | 32,879 | 46,867 | 52,453 |
| 2,539 | Economic Development | 1,138 | 582 | 273 | 684 | 564 | 1,085 | 665 | 510 | 990 | 287 |
| 3,010 | Cultural Wellbeing | 1,163 | 65 | 66 | 68 | 70 | 71 | 73 | 75 | 77 | 79 |
| 34,098 | Social and Recreation | 25,426 | 69,393 | 52,063 | 53,444 | 48,162 | 42,920 | 33,079 | 19,276 | 18,048 | 12,588 |
| 8,478 | Urban Development | 10,776 | 8,563 | 5,405 | 4,592 | 8,427 | 8,615 | 11,031 | 12,232 | 15,344 | 13,759 |
| 29,189 | Transport | 33,507 | 42,676 | 43,305 | 37,057 | 38,691 | 41,868 | 39,441 | 42,381 | 45,996 | 103,719 |
| 107,714 | Total by Strategy | 101,700 | 149,593 | 128,465 | 127,621 | 131,723 | 136,714 | 117,768 | 107,475 | 127,322 | 182,885 |

Prospective Segmental Analysis by Strategy continued...

| Annual Plan | | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
|----------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2008/09 | | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
| \$000 | | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 |
| 9,964 | Council | 12,646 | 12,354 | 15,261 | 14,330 | 16,330 | 16,193 | 12,209 | 12,681 | 16,944 | 16,655 |
| 117,678 | Total Annual Capital Expenditure Programme | 114,346 | 161,947 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |
| 21,775 | Capital Expenditure Carried Forward from 2007/08 | 400 | 6,860 | - | - | - | - | - | - | - | - |
| - | Capital Expenditure Carried Forward from 2008/09 | 25,000 | - | - | - | - | - | - | - | - | - |
| 139,453 | Total Capital Expenditure | 139,746 | 168,807 | 143,726 | 141,951 | 148,053 | 152,907 | 129,977 | 120,156 | 144,266 | 199,540 |

Summary of Significant Accounting Policies

Reporting Entity

Wellington City Council is a territorial local authority governed by the Local Government Act 2002. For the purposes of financial reporting Wellington City Council is a public benefit entity.

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

Basis of Preparation

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

The prospective financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Wellington City Council has chosen to early adopt the amendments to NZ IAS 1 – Presentation of Financial Statements. The revised standard has resulted in the introduction of the Statement of Comprehensive Financial Performance and has changed the format and content of the Statement of Changes in Equity. It has only a presentational impact on the financial statements.

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in

this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

The reporting period for these prospective financial statements is the ten year period ending 30 June 2019. The prospective financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

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

Judgements and Estimations

The preparation of prospective financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or in the relevant note.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when the revision affects only that period. If the revision affects both current and future periods, it is reflected in the respective period to which it relates.

Revenue

Revenue is measured at the fair value of consideration received. Specific accounting policies for major categories of revenue are outlined below:

Rates

Rates are set annually by resolution from Council and relate to a particular financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when invoiced.

Operating Activities

Government grants

Government grants are initially recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants and subsidies received in relation to the provision of services are recognised on a percentage of completion basis. Other government grants (e.g. New Zealand Transport Agency roading subsidies) are recognised upon entitlement.

Fines and penalties

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue fines) is recognised when infringement notices are issued or when fines/penalties are otherwise imposed.

Rendering of services

Revenue from the rendering of services (e.g. building consent fees) is recognised by reference to the stage of completion of the transaction at balance date. Under this method, revenue is recognised in the accounting periods in which the services are provided.

Sale of goods

Sales of goods are recognised when products are sold to the customer and at the time and place all risks and rewards of ownership have transferred to the customer.

Investment Property Leases

Lease rentals (net of any incentives given) are recognised on a straight line basis over the term of the lease.

Finance Income

Interest

Interest income is recognised using the effective interest rate method.

Dividends

Dividends are recognised when the shareholders' rights to receive payment have been established.

Other Revenues and Gains

Development Contributions

Development contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise development contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue when the control of the asset is transferred to Council.

Donated Services

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

Expenses

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

Operating Activities

Grants

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

Finance Expense

Interest

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

Depreciation and Amortisation

Depreciation (of property, plant and equipment) and amortisation (of intangible assets) are charged to the Statement of Comprehensive Financial Performance on a straight-line basis over the useful life of the associated assets.

Taxation

Income tax is charged in the Statement of Comprehensive Financial Performance in respect of the current year's results of council controlled trading organisations only. Income tax on the surplus or deficit for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

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

Good and Services Tax (GST)

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

Financial Instruments

Financial instruments include financial assets (loans, receivables, available-for-sale financial assets), financial liabilities (payables and borrowings) and derivative financial instruments. Financial instruments are initially recognised at fair value plus transaction costs. Subsequent measurement of financial instruments is dependent upon the classification determined by the Council.

Financial instruments are classified into the categories outlined below based upon the purpose for which they were acquired. The classification is determined at initial recognition and re-evaluated at each balance date.

Financial assets

Financial assets are classified as loans and receivables or available for sale financial assets.

Loans and receivables comprise cash and cash equivalents, trade and other receivables, loans and deposits.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition.

Trade and other receivables are financial assets with fixed or determinable payments. They arise when the Council provides money, goods or services directly to a debtor, and has no intention of trading the receivable.

Loans and deposits include loans to other entities (including loans to subsidiaries and associates), and bank deposits (with maturity greater than three months from the date of acquisition).

Financial assets in this category are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for assets of a similar maturity and credit risk. Trade and other receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired. As there are statutory remedies to recover unpaid rates, penalties and water meter charges, no provision has been made for impairment in respect of these receivables.

Available for sale financial assets are either designated in this category by nature or, by default, if they cannot be classified in one of the other categories of financial assets. Available for sale financial assets are initially recorded at fair value plus transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income. If there is no active market and no intention to sell the asset, the asset is measured at cost. On disposal, the cumulative fair value gain or loss previously recognised in other comprehensive income is recognised within the surplus or deficit.

Financial liabilities

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities with duration more than 12 months are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised in the Statement of Comprehensive Financial Performance. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

On disposal of financial liabilities, gains or losses are recognised in the Statement of Comprehensive Financial Performance.

Derivatives

Derivative financial instruments include interest rate swaps used to hedge exposure to interest rate risk arising from financing activities. Derivatives are initially recognised at fair value based on quoted market prices, and subsequently remeasured at their fair value at each balance date. Derivatives that do not qualify for hedge accounting are classified as non-hedged (held for trading) and fair value gains or losses recognised within the surplus or deficit.

Recognition of fair value gains or losses on derivatives that qualify for hedge accounting depends on the nature of the item being hedged. Where a derivative qualifies as a hedge of variability in asset or liability cash flows (cash flow hedge), the effective part of any gain or loss on the derivative is recognised within other comprehensive income while the ineffective part is recognised within the surplus or deficit. Gains or losses recognised in other comprehensive income transfer to surplus or deficit in the same periods as when the hedged item affects the surplus or deficit.

Where a derivative qualifies as a hedge of variability in the fair value of the Council's fixed rate borrowings (fair value hedge),

the gain or loss on the derivative is recognised within the surplus or deficit.

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

Inventories

Inventories consumed in the provision of services that are not supplied on a commercial basis (such as botanical supplies) are measured at the lower of cost and current replacement cost.

Inventories held for resale on a commercial basis, such as swimwear, are recorded at the lower of cost (determined on a first-in first-out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Investment properties

Investment properties are properties which are held primarily to earn rental income, for capital appreciation or for both. These include the Council's ground leases and land and buildings and the Wellington Waterfront Project's investment properties. Investment properties exclude those properties held for strategic purposes or to provide a social service, including those which generate cash inflows where the rental revenue is incidental to the purpose for holding the property. Such properties include the Council's social housing assets.

Investment properties are measured initially at cost and subsequently measured at fair value as determined annually by an independent registered valuer. The fair value is determined based on quoted market prices and is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper

marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Any gain or loss arising from a change in fair value is recognised in the Statement of Comprehensive Financial Performance. Investment properties are not depreciated.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Council holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Non-current assets classified as held for sale

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

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

A non-current asset classified as held for sale is recognised at the lower of its carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in the Statement of Comprehensive Financial Performance. Fair value is determined by market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Property, Plant and Equipment

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

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

Restricted assets include art and cultural assets, zoo animals, restricted buildings, parks and reserves and the town belt. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

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

Vested assets are recognised within their respective asset classes as above. Vested assets are those assets where ownership and control is transferred to the Council from a third party (for example; infrastructure assets constructed by developers and transferred to the Council on completion of a sub-division).

Recognition

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

Measurement

Property, plant and equipment is recognised initially at cost, unless acquired for nil or nominal cost (e.g. vested assets), in which case the asset is recognised at fair value at the date of transfer. The initial cost of property, plant and equipment includes the purchase consideration, or the fair value in the case of vested assets, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Borrowing costs incurred during the construction of investment property and property, plant and equipment are not capitalised. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

After initial recognition, certain classes of property, plant and equipment are revalued to fair value. Fair value is determined by market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Where there is no market related evidence for an asset, fair value is determined by optimised depreciated replacement cost.

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

Operational Assets

Plant and equipment and the Civic Centre complex are measured at historical cost.

Library collections are valued at depreciated replacement cost on a three-year cycle by the Council's library staff in accordance with guidelines released by the New Zealand Library Association and the National Library of New Zealand.

Land and buildings are valued at fair value on a three year cycle by independent registered valuers.

Restricted Assets

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

Infrastructure Assets

Infrastructure assets (roading network, water, waste and drainage reticulation assets) are valued at optimised depreciated replacement cost on a three-year basis by independent registered valuers. Infrastructure valuations are based on current quotes from actual suppliers. As such, they include ancillary costs such as breaking through seal, traffic control and rehabilitation. Between valuations, expenditure on asset improvements is capitalised at cost.

Infrastructure land is valued at fair value on a three-year basis.

Land under roads, which represents the corridor of land directly under and adjacent to the Council's roading network, was valued as at 30 June 2005 at the average value of surrounding adjacent land discounted by 50% to reflect its restricted nature. Council elected to use the fair value of land under roads at 30 June 2005 as the deemed cost of the asset. Land under roads is no longer revalued. Subsequent additions are capitalised at historical cost.

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

Revaluations

The result of any revaluation of the Council's property, plant and equipment is recognised within other comprehensive income and credited or debited to the asset revaluation reserve for that class of property, plant and equipment. Where this results in a debit balance in the reserve for a class of property, plant and equipment, the balance is included within the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised within the surplus or deficit will be recognised firstly, within the surplus or deficit up to the amount previously expensed, and then secondly recognised within other comprehensive income and credited to the revaluation reserve for that class of property, plant and equipment.

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

Impairment

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

Disposal

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

Depreciation

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

| | |
|--|-----------------|
| Land | indefinite |
| Buildings | 10 to 100 years |
| Civic Centre complex | 10 to 100 years |
| Plant and equipment..... | 3 to 100 years |
| Library collections | 3 to 10 years |
| Restricted assets (excluding buildings) | indefinite |

INFRASTRUCTURE ASSETS

| | |
|--|-----------------|
| Land (including land under roads) | indefinite |
| Roading | |
| Formation/earthworks | indefinite |
| Pavement | 3 to 40 years |
| Traffic Islands | 80 years |
| Bridges and tunnels | 3 to 150 years |
| Drainage..... | 15 to 120 years |
| Retaining walls..... | 30 to 100 years |

| | |
|------------------------------------|----------------|
| Pedestrian walkway..... | 15 to 40 years |
| Pedestrian furniture | 8 to 25 years |
| Barriers & lighting | 2 to 50 years |
| Cycle-way network | 15 to 40 years |
| Parking equipment | 8 to 10 years |
| Passenger transport facilities ... | 25 years |
| Traffic infrastructure | 5 to 10 years |

Drainage, waste and water

| | |
|---------------------------|-----------------|
| Pipework | 40 to 100 years |
| Fittings | 10 to 111 years |
| Water pump stations | 10 to 100 years |
| Water reservoirs | 80 years |
| Equipment | 25 years |
| Sewer pump stations..... | 20 to 100 years |
| Tunnels | 150 years |
| Treatment plants | 3 to 100 years |

The landfill post closure asset is depreciated over the life of the landfill based on the capacity of the landfill used in that year.

Work in progress

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

Intangible Assets

Intangible assets comprise computer software which has a finite life and is initially recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Statement of Comprehensive Financial Performance on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

| | |
|-------------------------|--------------|
| Computer Software | 3 to 5 years |
|-------------------------|--------------|

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

Leases

Operating leases as lessee

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under operating leases are recognised in the Statement of Comprehensive Financial Performance on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Financial Performance as an integral part of the total lease payment.

Operating leases as lessor

The Council leases Investment Properties and a portion of Land and Buildings. Rental income is recognised on a straight line basis over the lease term.

Finance leases

Finance leases transfer to the Council as lessee substantially all the risks and rewards incident on the ownership of a leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments. The finance charge is charged to the Statement of Comprehensive Financial Performance over the lease period and the capitalised values are amortised over the shorter of the lease term and its useful life.

Employee Benefit Liabilities

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

Holiday Leave

Holiday leave (annual leave, long service leave qualified for and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

Long Service Leave and Retirement Gratuities

Long-service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and

other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor and a discount rate. The inflation rate used is the annual Consumer Price Index. The discount rate used represents the Council's average cost of borrowing.

Other Contractual Entitlements

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

Provisions

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

Landfill Post Closure Costs

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

the obligation for post closure arises, which is when each stage of the landfill is commissioned and refuse begins to accumulate.

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

Amounts provided for landfill post closure are capitalised to the landfill asset where they give rise to future economic benefits or if they are incurred to enable future economic benefits to be obtained. The capitalised landfill asset is depreciated over the life of the landfill based on the capacity used.

The Council has a 21.5% joint venture interest in the Spicer Valley landfill. The Council's provision for landfill post closure costs includes the Council's proportionate share of the Spicer Valley landfill provision for post closure costs.

The present value of the estimated future cash flows has been calculated using an inflation factor and discount rate. The inflation rate used is the annual Consumer Price Index. The discount rate used represents the Council's average cost of borrowing.

ACC Partnership programme

The Council belongs to the ACC Partnership Programme and therefore accepts the management and financial responsibility of work related illnesses and accidents of employees. Under the ACC Partnership Programme the Council is effectively providing accident insurance to employees and this is accounted for as an insurance contract. The value of this liability represents the expected future payments in relation

to accidents and illnesses occurring up to the balance sheet date for which Council has responsibility under the terms of the Partnership Programme.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the contract holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. The Council measures the fair value of a financial guarantee by determining the probability of the guarantee being called by the holder. The probability factor is then applied to the principal and the outcome discounted to present value.

Financial guarantees are subsequently measured at the higher of the Council's best estimate of the obligation or the amount initially recognised less any amortisation.

Equity

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

The components of equity are accumulated funds and retained earnings, revaluation reserves, a hedging reserve and restricted funds (special funds, reserve funds, trusts and bequests).

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

Statement of Cash Flows

Cash and cash equivalents for the purposes of the cash flow statement comprises bank balances, cash on hand and short term deposits with a maturity of three months or less.

The statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

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

Related Parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include members of key management

personnel, who include the Mayor and Councillors as directors of the governing body, the Chief Executive and all members of the Management Board.

Cost Allocation

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

Comparatives

To ensure consistency with the prospective financial information contained within this long term plan, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed since the last annual plan (including activity trees)
- where the Council has made additional disclosure within this long term plan, and where a greater degree of disaggregation of prior annual plan amounts and balances is therefore required.

Significant Forecasting Assumptions

Budget and Forecasting Assumptions and Risk Assessment

Schedule 10 of the Local Government Act 2002 requires that the Council identifies the significant forecasting assumptions and risks underlying the financial information set out in the ten year Long Term Council Community Plan (LTCCP). Where there is a high level of uncertainty the Council is required to state the reason for that level of uncertainty and provide an

estimate of the potential effects on the financial assumptions. The level of uncertainty is determined by reference to both the likelihood of occurrence and the financial materiality.

The Council has made a number of significant assumptions in the preparation of the financial forecasts in this LTCCP. These

assumptions are necessary as the LTCCP covers a 10 year period and to ensure that there is a consistent and justifiable basis for the preparation of the financial forecasts. The significant forecasting assumptions used in developing the financial forecasts in the LTCCP are detailed in the table below.

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|--|---|----------------------|---|
| General Assumptions: | | | |
| <p>Projected growth change factors:</p> <p>City growth assumptions underpin the Council's Asset Management Plans and capital expenditure budgets in the LTCCP.</p> <p>These assumptions are informed by forecasts based on Greater Wellington Regional Council's MERA projection modelling on population, dwellings and employment based on Statistics NZ census data.</p> <p>We generally use the "medium series" population projections which are recommended by Statistics NZ. They are derived from a top-down perspective - national first then applied to individual territorial local authorities based on their make-up and historical trend.</p> <p>Statistics NZ make assumptions on fertility and mortality rates and migration. The migration assumptions also have low, medium and high rates based on historic trends and short-run migration levels that are based on an analysis of immigration permits, residence applications and approvals, overseas student numbers, and arrivals and departures analysed by characteristics such as citizenship, country of last/next permanent residence and age.</p> | That growth is higher than projected thereby putting pressure on Council to provide additional infrastructure and services. | Low | Low to moderate growth can be accommodated within the present level of Council infrastructure. Where growth requires additional infrastructure, Council will collect development contributions to meet a portion of the cost of new or upgraded investment. Capital costs over this amount will result in additional Council expenditure which will need to be funded through new borrowings. |
| | That growth is lower than projected thereby resulting in surplus capacity in existing or planned infrastructure and services. | Low | Negative growth may not necessarily result in a lower number of ratepayers as on average the number of people per household is decreasing. A consistent and significant decline in population would likely result in moderate increases in rates. |

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|--|---|----------------------|---|
| General Assumptions: | | | |
| <p>Growth in ratepayer base:</p> <p>The estimated growth in the City's ratepayer base is:</p> <p>2009/10 1.2%</p> <p>2010/11 0.5%</p> <p>2011/12 0.7%</p> <p>2012/13 1.0%</p> <p>2013/14 1.0%</p> <p>2014/15 1.5%</p> <p>2015/16 1.5%</p> <p>2016/17 1.5%</p> <p>2017/18 1.5%</p> <p>2018/19 1.5%</p> <p>As a result, the "real" average rates funding increase will be reduced by an equivalent amount as there are a greater number of ratepayers across which the rates funding requirement will be allocated.</p> | <p>The growth in the ratepayer base is higher or lower than projected.</p> | <p>Low–Med</p> | <p>The Council has used current property information from its valuation service provider (Quotable Value) to assess the level of growth in rating units. The projected growth for 2009/10 is considered robust, with a higher level of estimation for out-years.</p> |
| <p>Levels of Service</p> <p>Demand for Council Services and customer expectations regarding levels of service will not significantly change and therefore there will be no significant effect on asset requirements or operating expenditure.</p> | <p>There are significant changes in customer expectations regarding demand for services or levels of service.</p> | <p>Low</p> | <p>The Council has well defined service levels for its planned activities. Customer Satisfaction Surveys and other engagement strategies generally support this key assumption and therefore there are currently no areas of the Council's service that require significant modification.</p> |
| <p>Resource consents</p> <p>Conditions for existing resource consents held by Council will not be significantly altered. Any resource consents due for renewal during the 10 year period will be renewed accordingly.</p> | <p>Conditions of resource consents are altered significantly.</p> <p>Council is unable to renew existing resource consents upon expiry.</p> | <p>Low</p> | <p>The financial effect of any change to resource consent requirements would depend upon the extent of the change. A significant change in requirements could result in the Council needing to spend additional funds to enable compliance. Generally, the Council considers that it is fully compliant with existing Resource Consents and does not contemplate any material departure from these requirements over the next 10 years.</p> |
| <p>Development Contributions</p> <p>Significant assumptions in relation to development contributions are included within the Development Contributions Policy.</p> | <p>Projected growth does not eventuate resulting in lower than expected development contributions.</p> | <p>Low</p> | <p>Growth assumptions are considered robust as they are informed by forecasts based on Greater Wellington Regional Council's MERA projection modelling on population, dwellings and employment based on Statistics NZ census data.</p> |

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|--|---|--|--|
| General Assumptions: | | | |
| <p>Climate Change</p> <p>The Council has adjusted base financial projections to reflect the estimated impact of climate change related charges on the costs of electricity, natural gas and landfill emissions.</p> | That changes in government legislation will result in charges and revenue that are significantly different from estimated impacts of the Emissions Trading Scheme under the previous government | Medium-High (years 2-10) | Emission based charges are affected by external political and economic factors, most of which are outside of the Councils control and influence. The Council has estimated its costs and revenue based on assumptions contained within the Emissions Trading Scheme which, while currently under review, the Council deems to be the most reliable estimate available. |
| Significant Financial Assumptions: | | | |
| <p>Inflation</p> <p>The Council has adjusted base financial projections to reflect the estimated impact of inflation.</p> | That actual inflation will be significantly different from the assumed inflation. | Low-Medium Years (1-3) Medium-High Years (4-10) | <p>Inflation is affected by external economic factors, most of which are outside of the Council's control and influence.</p> <p>Council's costs and the income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made.</p> |
| <p>Inflation Rates Applied:</p> <p>Inflation rates have been estimated using the BERL "Forecasts of Price level Change Adjustors to 2019." The applicable rates are (shown cumulative):</p> | | | While individual indices will at times vary from what has been included in this LTCCP, the Council has relied on the Reserve Bank use of monetary controls to keep inflation within the 1.5 to 3% range. |

| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 |
|----------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Roading | 1.000 | 1.030 | 1.059 | 1.084 | 1.110 | 1.135 | 1.161 | 1.188 | 1.217 | 1.244 |
| Property | 1.000 | 1.030 | 1.058 | 1.088 | 1.118 | 1.150 | 1.186 | 1.216 | 1.244 | 1.272 |
| Water | 1.000 | 1.030 | 1.059 | 1.088 | 1.123 | 1.156 | 1.196 | 1.233 | 1.273 | 1.315 |
| Energy | 1.000 | 1.023 | 1.050 | 1.082 | 1.113 | 1.150 | 1.187 | 1.227 | 1.269 | 1.313 |
| Staff | 1.000 | 1.027 | 1.055 | 1.081 | 1.108 | 1.136 | 1.165 | 1.202 | 1.235 | 1.273 |
| Other Expense | 1.000 | 1.033 | 1.056 | 1.082 | 1.105 | 1.128 | 1.154 | 1.181 | 1.209 | 1.240 |
| Other Income | 1.000 | 1.030 | 1.061 | 1.093 | 1.126 | 1.159 | 1.194 | 1.230 | 1.267 | 1.305 |

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|--|--|---------------------------|--|
| Significant Financial Assumptions: | | | |
| <p>Application of the Inflation Rates:</p> <p>The inflation rates above have been applied across all items within the financial statements with the exception of:</p> <p>Revenue from investment properties – not inflated as most ground leases are subject to fixed rentals across the period.</p> <p>Petrol tax – forecast to remain constant. Revenue from petrol tax is driven by tax rates and volumes – both of which are expected to remain constant over the 10 year period.</p> <p>Interest revenue and expenditure – Interest rates do not increase annually in line with rates of inflation. Interest rates have been forecast to remain constant. Refer section below.</p> <p>Dividends – Although rates of inflation will affect the revenues and expenditures of those entities distributing dividends to the Council it is not anticipated that the level of dividend will be influenced by rates of inflation in the future.</p> | <p>That the revenue streams identified are influenced by changes in prices or the rate of inflation.</p> <p>That the revenue streams identified fluctuate annually as a result of external factors outside the control of the Council.</p> | <p>Low</p> <p>Low-Mod</p> | <p>The assumption is considered reasonable in these cases due to the specific circumstances noted.</p> <p>Although the revenue streams may vary annually due to factors outside the control of the Council (eg, petrol consumption may vary and therefore affect the revenue received from Petrol Tax) it is not considered that annual variances will have a material effect on the financial forecasts in the LTCCP.</p> |
| <p>Expected return on investments:</p> <p>Council has forecast the following returns for significant investments:</p> | | | |
| <p>Wellington International Airport Limited shareholding – it is assumed that the Council will retain its existing investment in WIAL of 34% and that a regular flow of revenue will be received by way of dividend.</p> | <p>That Council will not achieve the forecast level of dividends.</p> | <p>Mod</p> | <p>The forecast annual dividend from Wellington International Airport Limited is \$5 million. Wellington International Airport Limited does not have a dividend policy in place. The level of dividend is dependent on the financial performance of the company. The Council has utilised historical results and future projections of the company to determine the forecast return.</p> |
| <p>Wellington Cable Car Limited – it is assumed that the Council will retain its existing investment at the same level. Dividends are assumed to remain constant across the 10 year period.</p> | <p>That Council will not achieve the forecast level of dividends.</p> | <p>Mod</p> | <p>The forecast dividend from Wellington Cable Car Limited is \$250,000 per annum. The level of dividend is dependent on the financial performance of the company. The Council has utilised historical results and future projections of the company to determine the forecast return.</p> |

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|---|--|--|--|
| Significant Financial Assumptions: | | | |
| <p>Wellington Regional Stadium Trust loan – in accordance with the terms of the loan, no interest has been forecast across the 10 year period.</p> <p>The loan is due to be repaid once the Trust has repaid all of its other liabilities and borrowings. The Trust may return part of its annual operating surplus to the Council to repay all or part of the outstanding loan.</p> | The loan will not be repaid. | Low | As the Trust is currently servicing its other loan obligations to commercial lenders, the Council considers that it is unlikely that the Trust will make an annual repayment of the outstanding loan. Once these commercial loans have been repaid the Council expects that the Trust will be in a position to repay the loan advanced by the Council. There is currently no information / reason to suggest that the Trust will not be in a position to repay the Council's loan. |
| <p>Expected interest rates on borrowings</p> <p>Interest is calculated at 6.75% per annum.</p> | That prevailing interest rates will differ significantly from those estimated. | Mod | Interest rates are largely driven by factors external to the NZ economy. Council is predicting a significant increase in borrowings over the 10 year period. Based on Council projected borrowings levels, interest costs will increase/decrease by between \$3m and \$3.3m per annum for every 1% movement in interest rates. |
| <p>NZTA subsidies</p> <p>NZTA requirements and specifications for the performance of subsidised work and subsidy rates will not alter to the extent that they impact significantly on operating costs.</p> | Changes in the subsidy rate and variation in criteria for inclusion in the subsidised works programme. | Low | NZTA funding priorities may change as a result of the Land Transport Management Act 2003. Variations in subsidy rates will increase/decrease Council's operational revenue by \$0.09m to \$0.12m for every 1% change in subsidy. |
| <p>Vested assets</p> <p>No vesting of assets is forecast across the 10 year period.</p> | That Council will have assets vested thereby increasing the depreciation expense in subsequent years. | High | <p>The level of vested assets fluctuates considerably from year to year. Historical levels have not been material. The recognition of vested assets in the income statement is non-cash in nature and will have no effect on rates.</p> <p>The financial effect of the uncertainty is expected to be low.</p> |
| <p>Sources of funds for the future replacement of significant assets</p> <p>Sources of funds for operating and capital expenditure are as per the Revenue and Earnings Policy.</p> | That sources of funds are not achieved. | Low | User charges have been set at previously achieved levels. Depreciation is funded through rates. The Council is able to access borrowings at levels forecast within the LTCCP. |
| <p>Useful lives of significant assets</p> <p>The useful lives of significant assets is shown in the Statement of Accounting Policies.</p> <p>It is assumed that there will be no reassessment of useful lives throughout the 10 year period.</p> | That assets wear out earlier or later than estimated. | Low – Asset lives are based upon estimates made by engineers and registered valuers. | <p>The financial effect of the uncertainty is likely to be immaterial. Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>However, these impacts could be mitigated as capital projects could be reprioritised in the event of early expiration of assets.</p> |

| Forecasting Assumptions | Risk | Level of Uncertainty | Reasons and Financial Effect of Uncertainty |
|---|---|----------------------|--|
| Significant Financial Assumptions: | | | |
| It is assumed that assets will be replaced at the end of their useful life. | That Council activities change, resulting in decisions not to replace existing assets. | Low | Council has a comprehensive asset management planning process. Where a decision is made not to replace an asset, this will be factored into capital projections. |
| Planned asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets. | That more detailed analysis of planned capital projects may alter the useful life and therefore the depreciation expense. | Low | Asset capacity and condition is monitored, with replacement works being planned accordingly. Depreciation is calculated in accordance with accounting and asset management requirements. |
| <p>Revaluation of property, plant and equipment</p> <p>These forecasts include a three yearly estimate to reflect the change in asset valuations for property, plant and equipment in accordance with the Council's accounting policies.</p> <p>The following assumptions have been applied to projected asset revaluations:</p> <p>Revaluation movements shall equate the inflation rates applied for all depreciable property, plant and equipment (refer section "Inflation").</p> <p>The depreciation impact of inflation shall be in the year following revaluation.</p> <p>The value of non-depreciable assets (eg land) is forecast to remain constant.</p> | That actual revaluation movements will be significantly different from those forecast. | Mod | <p>The majority of Council's depreciable property, plant and equipment assets is valued on a depreciated replacement cost basis. Therefore, using the projected inflation rate as a proxy for revaluation movements is appropriate and consistent with the treatment of price changes generally within the LTCCP.</p> <p>For land assets valued at market value (based on sales evidence), values have been assumed to remain constant. This reflects the wide disparity in views on the sustainability of current residential market prices. This assumption has no impact on depreciation as these assets are not depreciated.</p> |
| <p>Revaluation of other assets</p> <p>It is assumed that the value of all other assets (eg investment properties) accounted for at fair/market value will remain constant across the 10 year plan.</p> | That actual revaluation movements will be significantly different from those forecast. | Mod | For assets valued at market value (based on sales evidence), values have been assumed to remain constant. This reflects the wide disparity in views on the sustainability of current residential market prices. This assumption has no impact on depreciation as these assets are not depreciated. |
| <p>Renewal of External Funding</p> <p>It is assumed that Council will be able to renew existing borrowings on equivalent terms</p> | That new borrowings cannot be accessed to fund future capital requirements. | Low | <p>The Council minimises its liquidity risk by maintaining a mix of current and non-current borrowings in accordance with its Investment and Liability Management Policy.</p> <p>In accordance with the Liability Management Policy the Council must maintain its borrowing facilities at a level that exceeds 110% of peak borrowing levels over the next 12 months.</p> |

Other Financial Forecasting Information

In addition to the significant forecasting assumptions outlined above, the Council makes a number of other judgements and estimates in preparing the LTCCP. This section details other relevant forecasting information.

1. Funding Principles:

Revenue and Financing Policy

Assumptions and principles in relation to funding of the Council's activities and capital expenditure programme are included within the Council's Revenue and Financing Policy. It is assumed that the current Revenue and Financing Policy will remain in effect for the entire 10 year period covered by the LTCCP.

2. Balanced Budget Requirement:

Section 100 of the Local Government Act 2002 (LGA) requires local authorities to set each year's operating revenue at a level sufficient to meet its operating expenditure for that year. This is known as the balanced budget requirement.

However, the LGA provides local authorities with discretion to vary its operating revenues where it resolves that it is financially prudent to do so. In reaching this decision a local authority must have regard to:

- “(a) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term council community plan, including the estimated

expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and

- (b) the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
- (c) the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- (d) the funding and financial policies adopted under section 102.”

The overarching principles for application of the balanced budget requirement are contained in the Council's Revenue and Financing Policy. The financial impact of these principles is detailed in both the Funding Impact Statement and within the Significant Forecasting Assumptions.

In accordance with section 100 of the LGA the Council has resolved that it is financially prudent to depart from the balanced budget requirement in the following circumstances:

Accounting for fair value changes

Principle

Under New Zealand equivalents of International Financial Reporting Standards (NZ IFRS), changes in the fair value of certain assets must be accounted for within the Statement of Comprehensive Financial Performance. In accordance with Section 100 of the Local Government Act 2002, it is

not considered financially prudent to fund changes in the fair value of assets or liabilities as these are essentially “unrealised” accounting adjustments.

Rationale

Changes in the fair value of assets and liabilities are non cash in nature but are required to be recorded in the Statement of Comprehensive Financial Performance for accounting purposes. The associated gains and losses will remain unrealised until disposal of the underlying assets. The proposed exemption will ensure that non cash income and expenditure movements are excluded from the assessment of the level of rates funding required to pay for the projected operating expenditure. Further, in the event that the gains / losses are realised during the disposal of the underlying assets / liabilities then the proceeds from disposal will be used to repay borrowings in accordance with the Council's Investment Policy.

No inter-generational equity issues have been identified in applying this exemption. Therefore, having had regard to the principles in section 100 (2), it is recommended that it is financially prudent not to fund, or account for, unrealised gains and losses arising from the change in fair value of underlying assets and liabilities.

Non-funding of depreciation on Council assets

Principle

In accordance with section 100 of the Local Government Act 2002 the Council has previously satisfied itself that it is

not financially prudent to fund all/part of the depreciation expenditure on the following assets:

- Clearwater Sewerage Treatment Plant.
- Living Earth Joint Venture.
- Transport assets funded by NZTA.

In principle, the Council will fund depreciation on existing assets as a way of either replacing the asset at the end of its useful life or to repay the borrowings on the original construction or purchase of the asset. Accordingly, as a matter of principle the Council considers that it is not financially prudent to ask ratepayers to fund all / part of the depreciation expenditure on an asset.

- Where the original asset purchase was not funded by borrowings, or the original borrowings have been repaid, and
 - Where, on an ongoing basis, the replacement of the asset at the end of its useful life will be funded by a third party, or
 - Where the Council has elected not to replace the asset at the end of its useful life.
- Where a third party has a contractual obligation to either maintain the service potential of the asset throughout all or part of its useful life (or to replace the asset at the end of its useful life) and the Council already effectively funds this through operating grants/tariffs payable to the third party.

Rationale

With respect to the specific assets identified above the Council considers that it is not financially prudent to fund all / part of the depreciation on these assets because:

Clearwater Sewerage Treatment Plant

United Water has a 21-year contract to operate and maintain the Clearwater plant, so the Council has no need to put aside extra maintenance money. United Water is required to fund any repairs over this period. United Water is also required to return the plant to the Council after the end of its 21-year contract with a future life expectancy of at least 25 years. Despite this contractual arrangement, the Council still owns the Clearwater plant assets and is required to cover all operating expenses associated with the plant, including depreciation and financing costs.

Living Earth joint venture

The Council has elected not to fund depreciation on these assets for the following reasons:

- the Council has considered that the assets associated with the former Living Earth venture are not critical to the Council's long term treatment and disposal of sewage
- the Council has not planned to replace these assets at the end of their useful life, and
- not funding depreciation will not alter the planned life of the Council's landfills, nor will it affect the environment objectives the Council is achieving.

Transport assets funded by NZTA

Each year the Council receives funding from NZTA as part of the overall replacement and renewal programme for the City's roading infrastructure. The Council recognises the subsidies as income in accordance with GAAP. As the subsidies are received for capital purposes, they cannot be used to offset the rates requirement. Therefore the Council shall recognise a surplus equivalent to the amount of NZTA subsidies for capital purposes, and account for this as a special reserve to be applied against funding the depreciation expense that results on completion of the associated asset.

A non-funding exemption is available in respect of the associated depreciation to the extent that replacement is funded by NZTA. It is financially prudent for the Council not to fund this depreciation through rates, as it would be inequitable to place the funding burden on ratepayers when NZTA is already contributing the overall cost of replacement.

The exemptions from the balanced budget requirement in respect of the non-funding of depreciation on the assets identified above will not impact on the predicted levels of service provision set out in the LTCCP. No inter-generational equity issues have been identified in applying this exemption. Therefore, having had regard to the principles in section 100 (2), it is recommended that it is financially prudent not to fund all / part of the depreciation expenditure on the assets identified above.

Receipt of Capital Revenues

Principle

The financial forecasts in the LTCCP include a level of projected revenue that will be received for the purpose of funding capital projects. For example, the Council receives subsidies from NZTA in respect of its transport capital projects and from development contributions for growth related capital expenditure. The receipt of this revenue is recognised as income in the Statement of Comprehensive Financial Performance in accordance with generally accepted accounting practice even though the subsidies represent an inflow of cash specifically for capital, rather than operating, purposes. As a result, it is inappropriate for these capital subsidies to be treated as income for rates funding purposes. The Council shall therefore recognise an operating surplus equivalent to the amount of NZTA subsidies and development contributions received for capital purposes in each year.

Rationale

The exemption from the balanced budget requirement will not impact on the predicted levels of service provision set out in the LTCCP. The approach of applying capital subsidies for the purpose for which they were received (ie, to fund capital expenditure projects) supports the concept of inter-generational equity as it ensures that funding received for capital projects is not utilised to offset the rates requirement in a particular year but instead the benefit is spread over the life of the asset by way of reduced borrowings.

Therefore, having had regard to the principles in section 100 (2), it is recommended that it is financially prudent not to apply the receipt of capital subsidies, recognised as income in the Statement of Comprehensive Financial Performance, to offset the rates funding requirement in each year.

3. Capital Expenditure Programme

All significant capital expenditure is included within the LTCCP. The Council's capital expenditure programme includes:

- Renewal of existing assets (principally in accordance with the underlying Asset Management Plans).
- Planned upgrades of existing assets.
- New investment in the City's asset infrastructure base where these have been identified, planned and approved by the Council.
- No asset sales are planned except as disclosed in the LTCCP.

4. Financial Reporting Standard 42: Prospective Financial Statements

In accordance with the New Zealand Institute of Chartered Accountants Financial Reporting Standard 42: Prospective Financial Statements, the following information is provided in respect of the LTCCP:

(i) Description of the nature of the entity's current operations and its principal activities

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined on pages 34 to 189.

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

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 10 years, and that these are presented in the Council's LTCCP. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council.

(iii) Bases for assumptions, risks and uncertainties

The financial information has been prepared on the basis of best estimate assumptions as to future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are included within the principal assumptions underlying the forecasts are noted on page 22.

(iv) Cautionary Note

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

(v) Other Disclosures

The prospective financial statements were authorised for issue on 29 June 2009 by Wellington City Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying the prospective financial statements and all other disclosures.

The LTCCP is prospective and as such contains no actual operating results.



PART FIVE: APPENDICES

- Auditor's report
- Fees and user charges
- Council Controlled organisations
- Elected members

Auditor's Report



Report to the readers of Wellington City Council's Long-Term Council Community Plan for the ten years commencing 1 July 2009.

The Auditor General is the auditor of Wellington City Council (the City Council). The Auditor General has appointed me, A P Burns, using the staff and resources of Audit New Zealand, to report on the Long-Term Council Community Plan (LTCCP), on his behalf.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTCCP complies with the requirements of the Act;
- the quality of information and assumptions underlying the forecast information provided in the LTCCP; and
- the extent to which the forecast information and performance measures will provide an appropriate framework for the meaningful assessment of the actual levels of service provision.

It is not our responsibility to express an opinion on the merits of any policy content within the LTCCP.

Opinion

Overall Opinion

In our opinion the LTCCP of City Council incorporating volumes 1 and 2 dated 29 June 2009 provides a reasonable basis for

long-term integrated decision-making by the City Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the City Council.

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

- the City Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment;
- the underlying information and assumptions used to prepare the LTCCP provide a reasonable and supportable basis for the preparation of the forecast information; and
- the extent to which the forecast information and performance measures within the LTCCP provide an appropriate framework for the meaningful assessment of the actual levels of service provision, reflects good practice for a council of its size and scale within the context of its environment.

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 29 June 2009, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the City Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

We planned and performed our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTCCP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

Our audit procedures included assessing whether:

- the LTCCP provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision-making processes;

- the City Council's financial strategy, supported by financial policies as included in the LTCCP is financially prudent, and has been clearly communicated to the community in the LTCCP;
- the presentation of the LTCCP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTCCP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTCCP is based on materially complete and reliable asset or activity management information;
- the agreed levels of service are fairly reflected throughout the LTCCP;
- the key plans and policies adopted by the City Council have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTCCP are based on best information currently available to the City Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the City Council's service delivery and performance; and

- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTCCP.

We do not guarantee complete accuracy of the information in the LTCCP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTCCP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The City Council is responsible for preparing an LTCCP under the Act, by applying the City Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The City Council's responsibilities arise from Section 93 of the Act.

We are responsible for expressing an independent opinion on the LTCCP and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

Independence

When reporting on the LTCCP we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than this report and in conducting the audit of the Statement of Proposal for adoption of the LTCCP and the annual audit, we have no relationship with or interests in the City Council.



A P Burns
 Audit New Zealand
 On behalf of the Auditor General
 Wellington, New Zealand

Fees and User Charges

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

For 2009/10, in line with that policy, we have changed some of our fees and charges in the following areas.

- Development control and facilitation
- Swimming Pools
- Recreation Centres
- Libraries
- Burials and Cremations
- Sportsfields
- Marinas
- Waste Minimisation and Disposal
- Sewerage Treatment and Disposal
- Road Encroachment and Sale Policy

New fees will be implemented as of 1 July 2009 and are inclusive of GST unless otherwise stated. For more information see www.Wellington.govt.nz

Note that the following list of fees and charges is not a complete list of all fees and charges levied by the Council. It consists of those fees and charges which changed from 1 July 2009.

| RESOURCE CONSENT FEES SERVICE | 2008 DEPOSIT / FEE | 2009 DEPOSIT / FEE |
|--|--------------------|--------------------|
| The following four deposit fees have been amended to better reflect estimated officer time on consent applications. Final fees payable are on actual officer time, administration and other disbursement costs. | | |
| Pre-application meetings: planner / expert / compliance officer (2 hours total officer time free, then per hour). | \$125.00 | \$130.00 |
| Non-notified consent: subdivision and/or land use – deposit includes allowance for up to 8 hrs planner / advisor, 1 hr admin, \$45 disbursements | \$1,100.00 | \$1,150.00 |
| Limited notified consent: subdivision and/or land use – deposit includes allowance for up to 30 hrs planner / advisor, 8 hr admin, \$580 disbursements | \$4,500.00 | \$5,000.00 |
| Notified consent: subdivision and/or land use – deposit includes allowance for up to 75 hrs planner / advisor, 8 hr admin, includes \$1,500 towards cost of public notices and \$830 general disbursements. Note: The change for notified consents reflects an increase to the 35 deposit hours in 2008/09 to better reflect officer time and cost. | \$8,000.00 | \$12,500.00 |
| All other approvals including: Non-notified resource consent application for earthworks only, Outline Plan approval; NES approval; Certificate of Compliance; Extension of time (s125); Change or cancellation of conditions (s127); Consents notices (s221); Amalgamations (s241); easements (s243), Right of Way or similar – up to 6 hrs Planner / Advisor, 1 hr admin, \$55 disbursements | \$850.00 | \$900.00 |
| Certificates: Town Planning, Sale of Liquor, Overseas investments, LMVD – up to 2 hrs Planner / Advisor, 1 hr admin, | \$315.00 | \$325.00 |
| Fast Track – non-notified consents only – issued within 10 days (criteria applies, and applications will only be accepted on a case by case basis) | 2 x normal fee | 2 x normal fee |
| Fast Track – non-notified consents only – issued within 5 days (criteria applies, and applications will only be accepted on a case by case basis). | 3 x normal fee | 3 x normal fee |

| RESOURCE CONSENT FEES SERVICE | 2008 DEPOSIT / FEE | 2009 DEPOSIT / FEE |
|---|---------------------------------|---------------------------------|
| Additional Charges | | |
| Cost of all disbursements i.e.: venue hire, photocopying, catering, postage, public notification. | Variable – based on actual cost | Variable – based on actual cost |
| Councillor costs per hour for any hearing | | |
| – Chairperson | \$85.00 | \$85.00 |
| – Other | \$68.00 | \$68.00 |
| – Specialist consultant report | Variable – based on actual cost | Variable – based on actual cost |
| Independent Commissioners | Variable – based on actual cost | Variable – based on actual cost |
| Additional hours (per hour): | | |
| – All consents: additional processing hours (per hour) – planner/advisor / compliance officer | \$125.00 | \$130.00 |
| – All consents: additional processing hours (per hour) – administrative officer | \$65.00 | \$65.00 |

| Bylaw Application | | |
|---|----------|----------|
| Applications relating to signs (Commercial Sex Premises) – up to 6 hrs | \$750.00 | \$780.00 |

| Compliance Monitoring | | |
|--|---------------------------------|---------------------------------|
| Monitoring Administration of Resource Consents: subdivision or land use – minimum of 1 hr, (previously based on up to 2 hrs), – then based on actual time over and above that. | \$250.00 | \$130.00 |
| Cost of disbursements, e.g. materials, consultant investigations | Variable – based on actual cost | Variable – based on actual cost |

| | | |
|---|----------|----------|
| Additional hours (per hour): | | |
| – planner / expert / compliance officer | \$125.00 | \$130.00 |
| – administrative officer | \$65.00 | \$65.00 |

| Subdivision Certification | 2008 Fee | 2009 Fee |
|--|----------|----------|
| Below are minimum fees. Charges will be based on actual time if over and above that. | | |
| Stage certification: each stage for s223, s224(f), s226 etc – up to 2 hrs, | \$250.00 | \$260.00 |
| Combination of two or more Stage certifications: s223, s224(f), s226 etc – up to 4 hrs, (previously based on 3.5 hrs) | \$450.00 | \$520.00 |
| Certification s224 (c) – up to 4 hrs, (previously based on 2 hrs) | \$250.00 | \$520.00 |
| All other RMA and LGA certificates, sealing, transfer documents etc – up to 2 hrs – disbursements will be on-charged | \$250.00 | \$260.00 |
| Bonds: each stage of preparation or release – up to 2 hrs | \$250.00 | \$260.00 |

| Terms and late payment – Resource Consent fees |
|---|
| <p>Deposits and additional fees:</p> <p>As set out above, the fees are based around initial deposits with further charges to be invoiced if there is additional time spent processing requests or disbursements incurred. Initial deposits will be required prior to the processing of requests. Additional fees and refunds will only be payable / refunded for amounts greater than \$65.</p> <p>Terms for payment:</p> <p>Payment of additional fees are due by the 20th of the following month from invoice being processed. Where payment is not made by the 20th of the month following the date of the invoice, the customer agrees to pay Council the following:</p> <p>An additional / administrative fee of the lesser of 10% of the overdue amount or \$300</p> <p>All costs and expenses (including debt collection or legal fees), incurred by the council in seeking to recover the over-due amount, and</p> <p>Daily interest (rate of 15% p.a.) from the date of default.</p> |

Swimming Pools

Fee increases include:

| Khandallah Pool | 2008 Fee | 2009 Fee |
|------------------------|-----------------|-----------------|
| Adult Swim | \$0.00 | \$2.00 |
| Child Swim | \$0.00 | \$1.00 |

All Other Pools

| | | |
|----------------------|--------|--------|
| Adult Swim | \$5.00 | \$5.30 |
| Child Swim | \$3.00 | \$3.20 |
| Under 5 Swim | \$1.00 | \$1.10 |
| Adult – Leisure Card | \$2.50 | \$2.70 |
| Child – Leisure Card | \$1.50 | \$1.60 |

Recreation Centres

| | 2008 Fee | 2009 Fee |
|--------------------------------------|-----------------|-----------------|
| Adult – per admission | \$2.00 | \$3.00 |
| Child – per admission | \$1.00 | \$1.50 |
| Adult – Leisure Card – per admission | \$1.00 | \$1.50 |
| Gym hire per hour | \$40.00 | \$40.00 |

Leagues

| | | |
|---|----------|----------|
| Miniball (Nairnville and Kilbirnie) (1/2 Court) | \$155.00 | \$170.00 |
| Miniball (Karori) (Full Court) | \$185.00 | \$200.00 |
| Child Basketball | \$185.00 | \$200.00 |
| Netball | \$420.00 | \$440.00 |

Holiday Programmes

| | | |
|------------|---------|---------|
| Daily | \$20.00 | \$25.00 |
| Trip | \$30.00 | \$35.00 |
| After Care | \$8.00 | \$10.00 |

Libraries

| | 2008 Fee | 2009 Fee |
|-------------------------------|-----------------|-----------------|
| DVD Boxed sets (fee per week) | \$4.00 | \$8.00 |
| Audio Book (per loan) | \$1.00 | \$3.00 |

Other charges for Library services remain unchanged from the 2008/09 financial year.

Burials and Cremations

Burials and Cremations

Karori Cemetery

| | | |
|--------------------------|----------|----------|
| Rose Garden Plots: | | |
| Ash Plots (2 interments) | \$720.00 | \$800.00 |

Interment Fees

| | | |
|------------------|------------|------------|
| Second Interment | \$1,015.00 | \$1,100.00 |
| Ashes | \$100.00 | \$120.00 |

Extras:

| | | |
|--|------------|------------|
| Extra Width (per 300mm) | \$130.00 | \$150.00 |
| Extra Depth (per 300mm) | \$180.00 | \$200.00 |
| Breaking Concrete Floor | \$180.00 | \$200.00 |
| Grave Reuse (Disinterment, dig down, Reinter below new burial. Requires Disinterment license.) | \$1,600.00 | \$1,800.00 |
| Core Drilling Ash Interments (Karori Only) | \$200.00 | \$220.00 |
| Ash Disinterment | \$210.00 | \$220.00 |
| Muslim Boards (Adult) | \$150.00 | \$165.00 |
| Muslim Boards (Child) | \$90.00 | \$100.00 |
| Change of Deed | \$50.00 | \$60.00 |
| Permit fee for Monumental work | \$120.00 | \$80.00 |
| Non-compliance fee for no permit | \$0.00 | \$50.00 |
| *Outside district fee-casket interment | \$0.00 | \$850.00 |
| *Outside district fee-ashes | \$0.00 | \$400.00 |
| Outside district fee-Indigent cremation/burial | \$0.00 | \$130.00 |
| Plot search charges. 1-3 no charge. 4> \$1 per search. \$2 a photo | \$0.00 | \$1.00 |

*Applies to all plot purchases, where deceased has lived outside city for the last 5 years or more.

| Burials and Cremations | 2008 Fee | 2009 Fee |
|---|----------|------------|
| Makara Cemetery | | |
| Second Interments: | | |
| All sections | \$790.00 | \$1,100.00 |
| Natural Burial Interment Fee | \$800.00 | \$900.00 |
| Funerals booked after 3:30pm | \$100.00 | \$150.00 |
| Late Service fee for burial per 1/2 hour | \$130.00 | \$100.00 |
| Overtime: | | |
| Casket Interment (weekend) | \$450.00 | \$500.00 |
| Ash Interment (weekend) | \$180.00 | \$200.00 |
| Ash Plots: | | |
| Ash Beam | | |
| Interment Fee | \$100.00 | \$120.00 |
| Ash Circle | | |
| Plot | \$500.00 | \$425.00 |
| Maintenance Fee | \$0.00 | \$125.00 |
| Interment Fee | \$100.00 | \$120.00 |
| Cremations and Ashes | | |
| Adult: | | |
| Delivery Only | \$535.00 | \$550.00 |
| Committal Service (1/2 Hour) | \$540.00 | \$610.00 |
| Full Service (1 Hour) | \$590.00 | \$650.00 |
| Funerals Booked after 3:30pm | \$100.00 | \$150.00 |
| Chapel Hire: | | |
| Per 1/2 hour | \$100.00 | \$120.00 |
| Chapel Hire for Burials & Cremations per 1/2 hour | \$130.00 | \$160.00 |
| Ashes: | | |
| Interment of Ashes | \$100.00 | \$120.00 |
| Disinterment of Ashes | \$200.00 | \$220.00 |
| Ash Scattering | \$60.00 | \$75.00 |

| Burials and Cremations | 2008 Fee | 2009 Fee |
|--|----------|----------|
| Miscellaneous: | | |
| Plaque Placement/Removal | \$60.00 | \$80.00 |
| Late Charge fee [per 1/2 hour] | \$130.00 | \$100.00 |
| Bio Tissue Cremation [Wellington Hospital] | \$525.00 | \$550.00 |

Sportsfields

| Sportsfields | 2008 Fee | 2009 Fee |
|--|------------|------------|
| Cricket | | |
| Casual | | |
| Level 1 | \$235.00 | \$242.00 |
| Level 2 | \$155.00 | \$160.00 |
| Artificial pitch on concrete base | | |
| | \$100.00 | \$103.00 |
| Artificial pitch on grass base | | |
| | \$100.00 | \$103.00 |
| Seasonal | | |
| Level 1 | \$1,770.00 | \$1,825.00 |
| Level 2 | \$1,480.00 | \$1,525.00 |
| Level 3 | \$865.00 | \$890.00 |
| Artificial pitch on concrete base | | |
| | \$590.60 | \$610.00 |
| Artificial pitch on grass base | | |
| | \$472.50 | \$485.00 |
| Rugby, League, Soccer, Aussie Rules | | |
| Casual | | |
| Level 1 | \$85.00 | \$88.00 |
| Level 2 | \$65.00 | \$67.00 |
| Level 3 | \$50.00 | \$51.50 |
| Seasonal | | |
| Level 1 | \$1,125.00 | \$1,260.00 |
| Level 2 | \$930.00 | \$960.00 |
| Level 3 | \$790.00 | \$815.00 |

| Sportsfields | 2008 Fee | 2009 Fee |
|--|------------|------------|
| Softball | | |
| Casual | | |
| Level 1 | \$105.00 | \$110.00 |
| Level 2 | \$75.00 | \$77.00 |
| Seasonal | | |
| Level 1 | \$450.00 | \$465.00 |
| Level 2 | \$300.00 | \$310.00 |
| Touch, 5-a-side, Ultimate Flying Disc, Gridiron | | |
| Casual | | |
| Level 1 | \$110.00 | \$115.00 |
| Level 2 | \$90.00 | \$93.00 |
| Seasonal | | |
| Level 1 | \$930.00 | \$960.00 |
| Level 2 | \$720.00 | \$740.00 |
| Netball – per Court | | |
| Court per season | \$85.00 | \$88.00 |
| Off-season or organised | \$5.50 | \$6.00 |
| Casual | \$26.00 | \$27.00 |
| Tennis | | |
| Court per season | \$115.00 | \$118.00 |
| Off-season or organised | \$10.50 | \$11.00 |
| Casual | \$26.00 | \$27.00 |
| Cycling | | |
| Casual | \$105.00 | \$108.00 |
| Seasonal | \$1,065.00 | \$1,095.00 |
| Athletics | | |
| Casual | \$385.00 | \$395.00 |
| WRFU Speed Trials | \$85.00 | \$88.00 |
| Seasonal | \$6,430.00 | \$6,620.00 |

| Sportsfields | 2008 Fee | 2009 Fee |
|------------------------------|----------------|----------------|
| Croquet – one lawn | | |
| Casual | \$105.00 | \$108.00 |
| Seasonal | \$485.00 | \$500.00 |
| Training | | |
| Ground only: | | |
| 1 night | \$65.00 | \$67.00 |
| 1 night (season) | \$230.00 | \$240.00 |
| 2 nights (season) | \$460.00 | \$480.00 |
| 3 nights (season) | \$690.00 | \$720.00 |
| 4 nights (season) | \$925.00 | \$960.00 |
| 5 nights (season) | \$1,155.00 | \$1,200.00 |
| Training | | |
| Ground and Changing Rooms: | | |
| 1 night | \$115.00 | \$118.00 |
| 1 night (season) | \$490.00 | \$505.00 |
| 2 nights (season) | \$980.00 | \$1,010.00 |
| 3 nights (season) | \$1,470.00 | \$1,515.00 |
| 4 nights (season) | \$1,960.00 | \$2,020.00 |
| 5 nights (season) | \$2,450.00 | \$2,525.00 |
| Elite Parks | | |
| Rugby League Park | \$390.00 | \$400.00 |
| Newtown Park | \$390.00 | \$400.00 |
| Picnics | \$36.00 | \$37.00 |
| Marquees | | |
| Booking Fee (non-refundable) | \$51.50 | \$53.00 |
| Marquee up to 50m2 | \$310.00 | \$320.00 |
| Marquee up to 100m2 | \$515.00 | \$530.00 |
| Marquee > 100m2 | \$825.00 | \$850.00 |

| Sportsfields | 2008 Fee | 2009 Fee |
|--------------|----------|----------|
|--------------|----------|----------|

| Add-Ons | | |
|---------|--|--|
|---------|--|--|

| | | |
|--|------------|------------|
| Groundsman - hourly rate (minimum 2 hours) | \$21.00 | \$22.00 |
| Toilets Open | \$21.00 | \$22.00 |
| Toilets and Changing Rooms Open | \$51.50 | \$53.00 |
| Litter collection | discretion | discretion |

| Golf Course | | |
|-------------|--|--|
|-------------|--|--|

| | | |
|----------------------------|----------|----------|
| Leisure Card - Round | \$6.50 | \$6.70 |
| Adults - Round Weekdays | \$13.00 | \$13.50 |
| Adults - Round Weekend | \$19.00 | \$19.50 |
| Junior - Round | \$6.50 | \$6.70 |
| Leisure Card - Yearly | \$170.00 | \$175.00 |
| Leisure Card - Half Yearly | \$95.00 | \$98.00 |
| Adults - Yearly | \$335.00 | \$345.00 |
| Adults - Half Yearly | \$190.00 | \$195.00 |
| Juniors - Yearly | \$80.00 | \$82.50 |
| Trundler Hire | \$5.50 | \$5.50 |
| Club & Trundler Hire | \$16.00 | \$16.50 |
| Club Hire | \$10.50 | \$11.00 |

| Nairnville Synthetic Turf | | |
|---------------------------|--|--|
|---------------------------|--|--|

| | | |
|---------------------|-----|---------|
| Casual | | |
| Peak (per hour) | n/a | \$40.00 |
| Off Peak (per hour) | n/a | \$25.00 |

| Seasonal | | |
|----------|--|--|
|----------|--|--|

| | | |
|--|-----|---------|
| Peak (affiliated sports club) (per hour) | n/a | \$34.00 |
| Off Peak (affiliated sports club) (per hour) | n/a | \$21.25 |
| Junior/College (per hour) | n/a | \$17.00 |

Notes:

Charges for events, tournaments and commercial activities are by quotation.

Charges for charity events will be charged at the Operation Manager's discretion.

Marinas

| | 2008 Fee | 2009 Fee |
|--|----------|----------|
|--|----------|----------|

| Clyde Quay Marina - Facility Type | | |
|-------------------------------------|------------|------------|
| Boat Shed (2 to 13) | \$1,881.00 | \$1,938.00 |
| Boat Shed (14 to 27) | \$1,692.00 | \$1,743.00 |
| Boat Shed (38B) | \$1,356.00 | \$1,398.00 |
| Boat Shed (38A to 42B, 48A and 48B) | \$1,950.00 | \$2,010.00 |
| Boat Shed (43A to 47B) | \$2,256.00 | \$2,325.00 |
| Moorings | \$891.00 | \$918.00 |
| Dinghy Racks | \$159.00 | \$164.00 |

| Evans Bay Marina - Facility Type | | |
|----------------------------------|--|--|
|----------------------------------|--|--|

| | | |
|---------------------|------------|------------|
| Berths (12m to 20m) | \$2,382.00 | \$2,382.00 |
| Berths (8m) | \$1,407.00 | \$1,407.00 |
| Boat Shed Small | \$939.00 | \$939.00 |
| Boat Shed Medium | \$1,878.00 | \$1,878.00 |
| Boat Shed Large | \$2,817.00 | \$2,817.00 |
| Dinghy Lockers | \$282.00 | \$282.00 |

Waste Minimisation and Disposal

| General | 2008 Fee | 2009 Fee |
|---------|----------|----------|
|---------|----------|----------|

| | | |
|---|---------|---------|
| Landfill levy (per tonne inclusive of recycling levy) | \$82.00 | \$93.25 |
| Rubbish Bags (RRP each) | \$1.85 | \$1.96 |

Sewerage Treatment and Disposal

| Trade Waste Charges | 2008 Fee | 2009 Fee |
|--|----------|----------|
| Volume up to 100m ³ per day | \$0.20 | \$0.19 |
| Volume between 100m ³ and 7,000m ³ per day | \$0.10 | \$0.10 |
| Volume above 7,000m ³ per day | \$0.73 | \$0.68 |
| Suspended solids up to 1,575kg per day | \$0.24 | \$0.29 |
| Suspended solids above 1,575kg per day | \$0.24 | \$0.56 |
| BOD above 3,150kg per day | \$0.57 | \$0.28 |
| BOD above 3,150kg per day (from 1 July 2009) | \$0.54 | \$0.67 |

Road Encroachment and Sale Policy

The Road Encroachment and Sale Policy guides the Council's decisions, as land owner, for granting permission for property owners to use road reserve for private use. The policy also permits the sale of road reserve (road stopping) in certain situations and outlines the process for doing this.

| | 2008 Fee | 2009 Fee |
|---|----------|----------|
| One-off fees | | |
| Application fee for a new encroachment | \$150.00 | \$450.00 |
| Administration fee for a change of use or ownership | \$50.00 | \$73.15 |
| Annual rental | | |
| Annual rental fee per m ² | \$10.00 | \$12.65 |
| Minimum charge on the annual rental fee | \$35.00 | \$101.25 |

These increases are to enable the Council to recover the costs associated with encroachments. The increase to the annual rental fee is based on the cumulative Consumer Price Index (CPI) change since the fees were last reviewed in 2004.

Note that the policy is amended by:

- increasing the annual rental fee annually by the Consumer Price Index (CPI), with this fee being reviewed every three years through the LTCCP process
- removing the minimum area (3.5m²) relating to the minimum charge
- changing the definition of significant trees and vegetation to include a broader range of factors
 - removing the "life of a building" definition as 66 years
 - including "boatsheds" in the definition of a structure
 - removing out-of-date references in the policy.

Further information on the fees and policy is available on request. Please contact the Council on 499 4444 for this information.

COUNCIL CONTROLLED ORGANISATIONS

In order to achieve our objectives for Wellington we have established several companies and trusts. These organisations were set up to independently manage Council facilities, or to deliver significant services and undertake developments on behalf of the Wellington community. The following table explains what the organisations do and how their performance is measured.



Partnership Wellington Trust (trading as Positively Wellington Tourism)

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|--|---|--|---|---|
| <p>All trustees are appointed by the Council.</p> <p>As at 1 January 2009, they are Glenys Coughlan, Councillor Jo Coughlan, Kim Wicksteed, John Milford, Mike O'Donnell, Peter Monk and Ruth Pretty. The Chief Executive is David Perks.</p> | <p>The Partnership Wellington Trust markets and adds value to Wellington to achieve sustainable economic growth for the people of the city.</p> <p>It acts to enhance the recognition of Wellington as a desirable visitor destination, enhance the profile of city businesses and to promote strategic alliances and private sector partnerships, and maximise the city's share of regional spending.</p> <p>It also promotes community focused initiatives, aims to improve the sustainability of Wellington's commercial sector through its marketing initiatives, and facilitates the coordination of marketing initiatives that are appropriate to its objectives.</p> | <p>The Trust:</p> <ul style="list-style-type: none"> • Promotes Wellington as a visitor destination in national and international markets • Markets Wellington as a convention and conference destination • Provides visitor information services • Runs initiatives that promote retail growth, including the downtown retail campaign • Profiles Wellington's strengths in arts, sport and education attractions, and conducts development of an ongoing events profile for the city • Facilitates the development of new tourism and event product, and the development of the Visiting Friends and Relatives (VFR) market • Manages Wellington's destination profile on the internet • Conducts research and analysis of the tourism industry. | <ul style="list-style-type: none"> • International direct arrivals to Wellington Airport from Australia • International visitor nights • New Zealand market visitors and visitor nights • Weekend occupancy in partner hotels (capacity aligned) • Downtown weekend visitation • i-Site revenue • Partner funding • Number of partners • Cost effectiveness • Visits to www.WellingtonNZ.com • Online Revenue. | <ul style="list-style-type: none"> • Maintain 2008/09 levels • Maintain within -10% of 2008/09 levels • Increase New Zealand market numbers and visitor nights by 2% over 2008/09 • 2% increase (over 2008/09) • Maintain within -10% of 2008/09 levels • Maintain revenue at 2008/09 levels • Maintain funding within +/-5% of 2008/09 levels • Number of partners within +/-5% of 2008/09 levels • Partnership funding at no less than 30% of Council funding • 20% increase over 2008/09 • Generate \$600,000 of bookings through the site. |

Wellington Museums Trust

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|---|--|--|---|--|
| <p>All trustees are appointed by the Council.</p> <p>As at 1 January 2009, they are Vivienne Beck (Chair), Councillor Hayley Wain, Rhonda Paku, Phillip Shewell, Peter Cullen, and Quentin Hay. The Chief Executive is Pat Stuart.</p> | <p>The Wellington Museums Trust (WMT) was established in 1995 to promote and manage the City Gallery Wellington, the Museum of Wellington City & Sea, the Colonial Cottage, Capital E, the Wellington Cable Car Museum, and the New Zealand Cricket Museum.</p> <p>It manages and develops the Trust programmes and services, and acquires and manages collections for the benefit of Wellington. It provides advice to the Council for the development of museum and gallery services in Wellington, establishes exhibition programmes and education policies for its facilities, and develops acquisition, deaccession and Collection development policies. It liaises with Positively Wellington Tourism to enhance its attraction to visitors to Wellington.</p> | <ul style="list-style-type: none"> • Delivers high quality experiences, events and exhibitions at its facilities • Manages conservation and care for the objects of its collections, and conducts research and development to enhance visitors' experiences • Offers quality education experiences to children and young people • Promotes and protects the heritage of venues • Develops and operates the Soundhouse Studio • Works with national and international artists and collectors. | <p>Attendance targets:</p> <ul style="list-style-type: none"> • City Gallery • Capital E • City and Sea • Colonial Cottage • Cable Car Museum • NZ Cricket Museum • Subsidy per customer (excludes Plimmer's Ark, but includes rental subsidy) • Average retail income per customer • Number of exhibitions (seasons) held by trust institutions • Percentage of visitors to all trust institutions who are satisfied with the experience • Number of visitors to events programmes. | <ul style="list-style-type: none"> • 180,000 (if partly closed) • 90,000 • 90,000 • 2,000 • 224,400 • 2,000 • \$12.00 • \$1.16 • A minimum of 10 new temporary exhibitions presented and a minimum of 3 segmental changes achieved • 90% of visitors rate their experience as good or very good • At least 30,000 visitors attend events. |



St James Theatre Charitable Trust

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|---|---|--|---|---|
| <p>All trustees are appointed by the Council.</p> <p>As at 1 January 2009, they are Chris Parkin (Chair), Roger Miller, Councillor Stephanie Cook, Pele Walker, Sam Knowles, and Juliet McKee. The Chief Executive is Craig Goodall.</p> | <p>The St James Theatre Charitable Trust exists to preserve the historic St James Theatre and Opera House buildings, and to promote these theatres as venues for the live performance of cultural and artistic events. The Trust also acts as a general sponsor for performing arts and the preservation of historic buildings in Wellington.</p> | <p>The Trust:</p> <ul style="list-style-type: none"> • Manages and develops the St James Theatre and The Opera House • Promotes audience development (to include children and young people) and develops a broad range of programmes to meet the needs of a wide audience • Develops and maintains beneficial relationships with other national and international institutions, supports Positively Wellington Tourism, and develops new initiatives in its role as a key provider of performance venues. | <p>Number of performances</p> <ul style="list-style-type: none"> • St James Theatre • The Opera House <p>Total number of days utilisation</p> <ul style="list-style-type: none"> • St James Theatre • The Opera House <p>Number of non-performance events</p> <ul style="list-style-type: none"> • St James Theatre • The Opera House | <ul style="list-style-type: none"> • 76 • 84 • 286 • 144 • 210 • 60 |

Wellington Cable Car Limited

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|--|--|--|--|--|
| <p>The Council is the 100 percent shareholder in this company and appoints all of the directors.</p> <p>As at 1 January 2009, they are Roger Drummond (Chair), Christine Southey and Jeremy Ward. The General Manager is Brian Brown.</p> | <p>Wellington Cable Car Limited operates the Cable Car as an efficient, reliable and safe transport service.</p> <p>It meets its shareholder objective to retain, on strategic and environmental grounds, the trolleybus passenger service in the city, and maintains the overhead wiring system for this.</p> | <p>The company:</p> <ul style="list-style-type: none"> • Maintains the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the NZ Transport Agency • Specifies and controls the contract for the passenger service operation • Specifies and controls the contract for the inspection, maintenance and repair of the trolleybus overhead wiring system • Markets the cable car • Identifies options for enhancing the cable car travel experience. | <ul style="list-style-type: none"> • Cable Car passenger numbers • All cable car vehicles, track, tunnels, bridges, buildings and other equipment are maintained to required safety standards • Percentage of residents who have used the Cable Car in the last 12 months • Percentage of residents who rate the standard and operational reliability of the Cable Car as good or very good. | <ul style="list-style-type: none"> • 1,250,000 • Achieve • 30% • 95% |

Lambton Harbour Management Limited (trading as Wellington Waterfront Limited)

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|---|---|---|---|---|
| <p>The Council is the 100 percent shareholder in this company and appoints all of the directors.</p> <p>As at 1 January 2009, they are Michael Cashin (Chair), David Kernohan, Mark Petersen, Robert Gray, Councillor Ray Ahipene-Mercer. The Chief Executive is Ian Pike.</p> | <p>Wellington Waterfront Limited acts as the implementation manager for the waterfront development area. This means ensuring that the waterfront area is recognised locally and internationally for its design, is attractive, caters for a wide range of activities, is readily accessible to all people, and is both safe and perceived to be safe. Wellington Waterfront Limited also acts to protect significant heritage buildings on the waterfront, and makes sure that activities on the waterfront are integrated with those on the harbour.</p> | <p>The company:</p> <ul style="list-style-type: none"> • Implements the waterfront development project • Acts as adviser to the Waterfront Development Subcommittee (WDSC) • Owns and manages the marina • Manages day to day operations on the waterfront, including cleaning, security and maintenance • Negotiates and manages contracts for the design and construction of the waterfront's public spaces • Negotiates and manages contracts and leases for all building development sites, and the refurbishment and re-use of existing buildings. | <ul style="list-style-type: none"> • Percentage of residents visiting the waterfront • Percentage of residents satisfied with the waterfront • Project timeliness, number of milestones achieved on time • Capital expenditure. | <ul style="list-style-type: none"> • 95% • 90% • 75% • \$3.428m |

Wellington Water Management Ltd (trading as Capacity)

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|--|---|--|---|--|
| <p>Wellington City Council and Hutt City Council are equal 50 per cent shareholders in this Council Controlled Trading Company, and between them appoint all of the directors. The company is overseen by a board of directors made up of two Councillors (one from each council) and four independent directors appointed jointly by the two councils. Each council continues to own its respective water, stormwater and waste water assets and determines the level and standard of services to be provided to its customers and ratepayers.</p> <p>As at 1 January 2009, the Councillor appointees are Andy Foster (Wellington City Council) and Ray Wallace (Hutt City Council). The four independent Directors are Bryan Jackson (Chair), Peter Allport, Peter Leslie and Richard Westlake. The Chief Executive is David Hill.</p> | <p>The objective of Capacity is to manage the provision of water services (water supply, stormwater and wastewater) to the residents and businesses in the areas served by Wellington City Council and Hutt City Council.</p> | <p>The company's purpose is to provide high quality, safe and environmentally sustainable services to shareholding councils and other customers with a principal focus on asset management planning and contracted service delivery for the operation, maintenance and on-going development of drinking water, stormwater and wastewater assets and services.</p> <p>The company is committed to ensuring that all work managed on behalf of customers accords with the highest standards of health and safety for those involved in the work and for the general public. The company will continually seek opportunities to integrate water, stormwater and wastewater activities within the Wellington region where such integration can deliver least cost, best practice outcomes to the benefit of shareholder councils and other entities.</p> | <ul style="list-style-type: none"> • Compliance with existing resource consents • Consent renewals accepted by regulatory authority prior to expiry • Customer satisfaction • Percentage of requests for service that are resolved within 15 days • Progress against agreed programme of capital works • Actual total operating expenditure versus budget • Actual total capital expenditure versus budget • Achieve savings target for the year. | <ul style="list-style-type: none"> • 100% compliance • 100% • 85% • 90% • 90% completed on time, 90% completed on budget • Within budget • Within budget • Savings target to be achieved |

Wellington Zoo Trust

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|--|--|---|--|--|
| <p>The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council.</p> <p>As at 1 January 2009, they are Denise Church (Chair), Lee Parkinson, Ross Martin, Frances Russell, Phillip Meyer and Councillor Celia Wade-Brown. The Chief Executive Officer is Karen Fifield.</p> | <p>The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.</p> | <ul style="list-style-type: none"> • Cares for resident animals and manages the animal collection • Participates in captive management breeding programmes • Develops and maintains high quality animal exhibits • Delivers educational material and learning experiences • Contributes to zoological, conservation and facilities management research projects. | <ul style="list-style-type: none"> • Number of visitors • Number of students participating in a LEOTC learning session • Conservation Programme Managed Species (% of total collection) • Average WCC subsidy per visitor • Average Zoo shop retail income per visitor. • Average income per visitor (excluding WCC grant) • Ratio of generated Trust income as % of WCC grant. | <ul style="list-style-type: none"> • 184,130 • >9,000 • >38% • \$14.71 • >\$1.36 • \$12.73 • 87% |



Basin Reserve Trust

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|---|--|--|--|--|
| <p>There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington.</p> <p>As at 1 January 2009, the two trustees appointed by the Council are Councillor John Morrison and Glenn McGovern. The two trustees appointed by Cricket Wellington are Don Neely and Douglas Catley (Chair). The Chief Executive is Peter Clinton.</p> | <p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.</p> | <p>The Trust:</p> <ul style="list-style-type: none"> • Manages the Basin Reserve for recreational activities and the playing of cricket for the residents of Wellington • Contributes to the events programme for Wellington • Operates as a successful not-for profit undertaking • Preserves and enhances the heritage value of the Basin Reserve. | <p>Number of events</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community • Other (cultural etc) <p>Number of event days</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community • Other (cultural etc). | <ul style="list-style-type: none"> • 11 • 12 • 5 • 3 <ul style="list-style-type: none"> • 32 • 12 • 5 • 3 |



Wellington Regional Stadium Trust

| STRUCTURE | OBJECTIVES | ACTIVITIES | PERFORMANCE MEASURES | TARGET 2009/10 |
|--|--|---|--|--|
| <p>All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC).</p> <p>As at 1 January 2009, they are Paul Collins (Chair), Councillor Chris Laidlaw (GWRC), Michael Egan, Sir John Anderson, Liz Dawson, David Bale and Councillor John Morrison (WCC). The Chief Executive is David Gray.</p> | <p>The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high quality multi purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors, and event and fixture organisers.</p> | <p>The Trust:</p> <ul style="list-style-type: none"> Operates the Stadium Increases the event programme by adding regular quality events Ensures the Stadium is provided to the community for appropriate usage Administers the Trust assets and the Stadium on a prudent commercial basis. | <ul style="list-style-type: none"> Number of events Total revenue Event revenue Net surplus. | <ul style="list-style-type: none"> 40 (including unconfirmed events) \$14.13 million \$4.74 million \$1.58 million |

Note: the Wellington Regional Stadium Trust is not formally defined as a Council Controlled Organisation. This plan for their activities is presented to recognise the interest that Wellington City ratepayers have in the Trust and its activities.

MAYOR AND COUNCILLORS



Kerry Prendergast (Mayor)
City-wide
Phone: (04) 801 3102
kerry.prendergast@wcc.govt.nz



Andy Foster
Onslow-Western
Phone: (04) 476 9220
andy.foster@wcc.govt.nz



Iona Pannett
Lambton
Phone: (04) 384 3382
iona.pannett@wcc.govt.nz



Ray Ahipene-Mercer
Eastern
Phone: (04) 388 2366
ray.ahipene-merc@wcc.govt.nz



Leonie Gill
Eastern
Phone: (04) 387 9363
leonie.gill@wcc.govt.nz



Bryan Pepperell
Southern
Phone: (04) 934 3660
bryan.pepperell@wcc.govt.nz



Ngaire Best
Northern
Phone: (04) 232 9000
ngaire.best@wcc.govt.nz



Rob Goulden
Eastern
Phone: (04) 388 6177
rob.goulden@wcc.govt.nz



Helene Ritchie
Northern
Phone: (04) 473 1335
helene.ritchie@wcc.govt.nz



Stephanie Cook
Lambton
Phone: (04) 970 5351
stephanie.cook@wcc.govt.nz



Ian McKinnon (Deputy Mayor)
Lambton
Phone: (04) 801 3113
ian.mckinnon@wcc.govt.nz



Celia Wade-Brown
Southern
Phone: (04) 938 6691
celia.wade-brown@wcc.govt.nz



Jo Coughlan
Onslow-Western
Phone: (04) 473 7920
jo.coughlan@wcc.govt.nz



John Morrison
Onslow-Western
Phone: (04) 938 9350
john.morrison@wcc.govt.nz



Hayley Wain
Northern
Phone: (04) 977 3211
hayley.wain@wcc.govt.nz

Council Directory

The call centre and website are your first points of contact for all Council services, including building and resource consents, complaints and queries, liquor licensing, animal control, food safety, parks and recreation facilities, Council meetings and consultation, cemeteries, landfills, transport issues, rubbish and recycling collection, parking, rates, events, archives, and community services.

Council Offices

Wellington City Council
101 Wakefield Street, Wellington
PO Box 2199, Wellington, New Zealand

Call Centre

Phone: 499 4444
Fax: 801 3138

Website

www.Wellington.govt.nz

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