



Report on groups of activities

Environment	95
Transport	111
Water supply	121
Parks	129
Land	135
Safety and flood protection	143
Community	151
Investments	159
Statement of compliance and responsibility	170
Audit report	172

For each activity the actual achievement is compared to the planned performance indicators as set out in the *2007/08 Annual Plan*.

A funding-impact statement is also included, showing the operating surplus or deficit and capital expenditure for the year, as well as how that expenditure was funded.

Any remaining funding surplus after reserve transfers is used to repay debt in accordance with Greater Wellington's policy.



Greater Wellington’s Environment group of activities contributes to the following community outcomes – *healthy environment, sense of place and healthy community*. The specific activities not only enhance the region’s environmental wellbeing but they also benefit, to varying degrees, the community’s social, economic and cultural wellbeing.

We develop and implement resource management policies and plans, manage resource consents and respond to pollution incidents. This year we consulted on the draft Regional Policy Statement (RPS), processed more than 650 resource consents and responded to 1,376 pollution incidents.

We focus on researching key environmental issues, and measuring the quality and quantity of our natural resources, such as river flows and air quality. This year we again produced our annual report cards on the state of the region’s key resources and carried out a number of specific investigations, such as a survey of the Wairarapa coast.

We run three environmental education programmes – Take Care, Take Action and Take Charge – which involve the community, schools and businesses respectively. This year we worked with 36 care groups, more than 2,000 school children and more than 22 businesses on environmental projects. We also participated in World Environment Day activities. A major project was renaming Greytown “Greentown” for the month of June and working with residents and businesses to help them reduce their overall carbon footprint and become more sustainable.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Healthy environment

Develop and implement the RPS and regional plans.

Sense of place

Process and monitor resource consents.

Investigate and clean-up pollution incidents.

Healthy community

Research key environmental issues and threats.

Measure the quality and quantity of our natural resources, eg, river flows, air quality, soil health.

Report to the public on the state of the environment.

Help children, businesses and the community to look after and restore the environment.



Environment Targets

Activity: Manage resources

Levels of service:

1 Develop and implement the Regional Policy Statement (RPS) and regional plans

Targets

Actual

LONG-TERM targets by 30 June 2016

60 wetlands on private land will be legally protected.

Currently, 33 wetlands on private land are legally protected. 122 landowners have joined the Wetland Incentives Programme since it began. Subsidised fencing and weed control remain the most popular ways to use the incentives offered. In 2007/08, one wetland was approved for covenant with Greater Wellington's financial support.

400 native forest areas on private land will be protected (currently 198).

Currently, 198 native forest areas are legally protected. Eight new areas of native forest were approved for covenant with Greater Wellington's financial support in 2007/08.

The water quality index will show that the water quality in our key streams and rivers is being maintained or enhanced.

State of the environment (SOE) monitoring relating to water quality continues. The next full SOE report is scheduled for 2011. This year's monitoring confirmed our best water quality is in streams and rivers where there is little human influence, while the worst water quality is found in waterways in urban and agricultural areas.

Coastal water quality will meet the standard for which it is being managed as specified in the Regional Coastal Plan (eg, contact recreation) and measured through our coastal water quality monitoring programme.

Recreational water quality monitoring is reported on Greater Wellington's website during the bathing season and by way of an annual report presented to the Regulatory Committee. As with previous years, recreational water quality in the region is generally good apart from the times immediately following heavy rainfall.



Activity: Manage resources (continued)

Targets

LONG-TERM targets by 30 June 2016 (continued)

There will be no recorded instances when air pollution reaches the “alert” level of the national air quality guidelines or 66% or greater of the national air quality standards.

Actual

Since 2006, the number of times that alert levels for fine particulate matter (PM₁₀) have been reached is:

- Upper Hutt – 2 (1)
- Lower Hutt – 1 (0)
- Wainuiomata – 9 (7)
- Wairarapa – 29 (15)
- Tawa – 3 (3)

2007/08 numbers are in brackets.

The National Environmental Standard of 50 µg/m³ has been exceeded three times in the Wairarapa air shed (once in 2007/08) and once in the Wainuiomata air shed.

SHORT-TERM targets by 30 June 2008

A proposed Regional Policy Statement (RPS) will be released for public consultation in September 2007, within a budget of \$404,000. (LTCCP budget of \$217,000 was increased to provide for a draft RPS to be prepared prior to a proposed RPS and for work on significant sites in coastal areas to be undertaken.)

In August 2007, Council resolved to delay the release of the proposed RPS in favour of first releasing a draft document.

A draft RPS was subsequently released on 10 March 2008, with submissions closing 16 May. 107 submissions were received, with 1,400 decisions requested in total.

Actual costs were \$373,000.



Environment Targets

Activity: Manage resources (continued)

Targets

SHORT-TERM targets by 30 June 2008 (continued)

The following programmes and plans will be implemented and a progress report approved by Council, within a budget of \$602,000:

- Wetland Action Plan
- Queen Elizabeth II National Trust private land protection programme
- Freshwater ecosystems programme
- Kaiwharawhara Stream Plan
- Waiwhetu Stream Action Plan
- Pauatahanui Inlet Action Plan
- Coastal and marine ecosystem programme Action Plan

Actual

Wetland Action Plan

19 landowners joined the Wetland Incentives Programme, bringing the total to 122. New wetlands are added to our wetland inventory as they are discovered.

Queen Elizabeth II National Trust private land protection programme

This financial year, commitments totalling \$40,679 have been made to eight covenant projects.

Freshwater ecosystems programme

Work is underway with the Friends of the Owhiro Stream on three fish passes and a fish pass was constructed at Hulls Creek in August 2007.

Kaiwharawhara Stream Plan

Work with care groups and the Wellington City Council in the Kaiwharawhara catchment continued during the year.

Waiwhetu Stream Action Plan

The trial of the remediation technique proposed for removing the contaminated sediments from the lower reach of the stream was successfully undertaken in February and March. Funding arrangements between Greater Wellington, the Hutt City Council and Ministry for the Environment were finalised for the full remediation works.



Activity: Manage resources (continued)

Targets

SHORT-TERM targets by 30 June 2008 (continued)

The Stormwater Action Plan will be implemented in association with our city and district councils, within a budget of \$74,000.

Actual

Pauatahanui Inlet Action Plan

Work has continued with private landowners in the Pauatahanui catchment to retire and protect riparian and wetland areas. The Porirua City Council has appointed a Porirua Harbour coordinator who will work with Greater Wellington to develop an overall strategy for the catchment.

Coastal and marine ecosystem programme Action Plan

The Coastal and Marine Biodiversity Action Plan was completed in April 2008. A report on the biological health of Lake Onoke and an analysis of the most likely sites for long-term coastal and marine monitoring were completed. These will inform the coastal monitoring strategy for the region.

A number of projects were delayed and resulting underspend rebudgeted for 2008/09.

Actual costs were \$385,000.

The Stormwater Action Plan was completed, with all territorial authorities signing up to it. Of the 21 actions listed, 11 have been completed and two are in progress. The remainder have either not commenced or are at an early planning stage.

Actual costs were \$27,000.



Environment Targets

Activity: Manage resources (continued)

Levels of service:

2 Process and monitor resource consents

Targets

Actual

LONG-TERM targets by 30 June 2016

100% of resource consents will be processed within statutory timeframes (20 working days for non-notified consents).

99% (666) of 673 resource consents were processed within statutory timeframes.

100% of resource consents will be monitored for compliance with resource consent conditions.

98% of all consents were monitored for compliance.

Customer satisfaction surveys will show that more than 60% of recent applicants and existing consent holders rate their level of satisfaction with our resource consents processing service as excellent or very good.

An independent customer satisfaction survey, carried out in April 2008, showed that 40% of recent applicants and existing consent holders rate their level of satisfaction with our resource consents processing service as excellent or very good.



Activity: Manage resources (continued)

Targets

SHORT-TERM targets by 30 June 2008

100% of resource consents will be processed within statutory timeframes (20 working days for non-notified consents) and within a budget of \$577,000.

100% of resource consents will be monitored for compliance with resource consent conditions, within a budget of \$443,000.

At least two workshops will be conducted for customers on how they can obtain best value from the resource consent process, within a budget of \$60,000.

An independent customer satisfaction survey will show (within a budget of \$40,000) that more than 60% of recent applicants and existing consent holders rate their level of satisfaction with our resource consents process service as excellent or very good.

Actual

99% (666) of 673 resource consents were processed within statutory timeframes. Seven were processed outside statutory timeframes – fewer than last year.

Actual costs were \$580,000.

All scheduled compliance inspections were completed.

Actual costs were \$425,000.

Two workshops were held with resource management consultancy companies as part of our Muddy Waters Silt and Sediment Minimisation Programme.

Actual costs were \$83,000.

An independent customer satisfaction survey, carried out in April 2008, showed that 40% of recent applicants and existing consent holders rated their level of satisfaction with our resource consents processing service as excellent or very good.

Actual costs were \$19,000.



Environment Targets

Activity: Manage resources (continued)

Levels of service:

■ Research key environmental issues and threats

Targets

Actual

LONG-TERM targets by 30 June 2016

Environmental problems will be investigated as soon possible after they are identified so that appropriate remedial action can be taken.

Targeted investigations of significant resource issues have been undertaken in response to pollution incidents or matters identified in our environmental monitoring programmes. Responding to algal bloom outbreaks is an example of this approach. We have also monitored and investigated contaminated sites.

SHORT-TERM targets by 30 June 2008

Targeted investigations will be completed and a progress report approved by the Council, within a budget of \$250,000.

Targeted investigations were undertaken into issues such as groundwater nitrate contamination in the Wairarapa and sediment contamination in Wellington Harbour. Results of this work were reported to the Regulatory Committee throughout the year. The development of a Wairarapa ground water model took precedent over other investigations.

Actual costs were \$144,000.

The Selected Land Use Register will be maintained and public enquiries responded to within a week, within a budget of \$86,000.

About 500 enquiries were received in relation to contaminated sites. Where appropriate, new sites were added to the Selected Land Use Register. All enquiries were responded to within a week. No contaminated site investigations took place.

Actual costs were \$30,000.



Activity: Manage resources (continued)

Levels of service:

4 Investigate and clean-up pollution incidents

Targets

Actual

LONG-TERM targets by 30 June 2016

The number of reported pollution incidents will decrease on an annual basis.

In 2007/08, the number of reported incidents increased by 9% from 2006/07.

Reported pollution incidents will be responded to in timeframes that are in accordance with the severity of the incident.

All reported pollution incidents have been responded to within the timeframes that have been established in accordance with the severity of the incident.

SHORT-TERM targets by 30 June 2008

An annual report card providing a summary of pollution control activities will be approved by the Council after June 2008.

An annual report card was presented to the Sustainability Committee in November 2007.

All reported pollution response incidents will be responded to in accordance with the following timeframes, within a budget of \$305,000:

- Log only – no action required
- Red – serious adverse environmental effect requiring immediate action: 60 minutes
- Yellow – serious environmental effect where no benefit will be gained by an immediate response: 24 hours
- Blue – minor environmental effect requiring no immediate response: 7 days

1,376 incidents were notified and responded to during 2007/08 (compared with 1,264 incidents in 2006/07). The demand for pollution response work was greater than anticipated. All incidents over the year were responded to within the threshold response timeframes identified. The average response times were as follows:

- Red – 53 minutes
- Yellow – 5.7 hours
- Blue – 3.4 days

Actual costs were \$401,000.



Environment Targets

Activity: Monitor the state of the environment

Levels of service:

1 Measure the quality and quantity of our natural resources, eg, river flows, air quality, soil health

Targets

Actual

LONG-TERM targets by 30 June 2016

The following environmental data will be provided to the public on a regular basis – bathing water quality, river levels, rainfall, groundwater levels, tide levels, air quality, lake levels and meteorological information.

Real-time environmental data has been continually updated on Greater Wellington's website. Monthly summaries of hydrological data have also been provided.

Timely warnings will be given of threats to the environment and human life.

Warnings of high rainfall events and rising river levels have been given to flood managers, emergency managers, territorial authorities and potentially affected landowners.

SHORT-TERM targets by 30 June 2008

Greater Wellington's flood managers will be notified within 30 minutes when any river or rainfall trigger levels are reached, within a budget of \$49,000.

Flood managers were notified within the required timeframe. Trigger levels were reached during 13 flood events in the western part of the region and six flood events in the Wairarapa. There were no major floods in the year.

Actual costs were \$28,000.

Greater Wellington's water and consents managers will be notified within one working day of low groundwater levels in the Waiwhetu aquifer, within a budget of \$179,000.

Groundwater levels in the Waiwhetu aquifer were above the minimum throughout the year. Greater Wellington's water and consents managers were advised of low aquifer levels in late February and early March, and measures were taken to reverse the declining trend.

Actual costs were \$79,000.



Activity: Monitor the state of the environment (continued)

Targets

SHORT-TERM targets by 30 June 2008 (continued)

Water samples will be taken weekly throughout the bathing season (1 November to 31 March) and tested for the presence of bacteria, within a budget of \$95,000.

A traffic light warning framework will be implemented as follows:

- Green – low or no public health risk
- Amber – alert mode requiring follow-up monitoring
- Red – beach closed

Real-time environmental data available on Greater Wellington's website.

Actual

Weekly sampling of bathing sites for the summer season was completed at the end of March.

A summary report on recreational water quality "On the Beaches 2007/08" was presented to the Regulatory Committee on 10 June 2008.

Actual costs were \$66,000.

Results of testing were placed on the website as soon as they were received.



Environment Targets

Activity: Monitor the state of the environment (continued)

Levels of service:

2 Report to the public on the state of the environment

Targets

Actual

LONG-TERM targets by 30 June 2016

The community will have access to reliable and relevant information about the state of the environment through regular reports and Greater Wellington's website. Annual report cards on our key resources will be published annually and a comprehensive state of the environment report will be published every six years.

The results of our environmental monitoring programmes have been collated and analysed to provide information about the state of the environment that's easily understood and accessible to the general public. Information has been made available to the community through our website, news releases and publications, or on request. Annual report cards on our key resources have been produced. Our next comprehensive state of the environment report is scheduled for 2011.

SHORT-TERM targets by 30 June 2008

An annual report card containing summary information for the following resources will be approved by the Council within a budget of \$1,490,000:

- Hydrology
- Groundwater
- Freshwater quality
- Coastal water quality
- Recreational water quality
- Air quality
- Soil quality

(LTCCP budget of \$1,704,000 was reduced to reallocate overhead costs.)

The annual report cards were reported to the Regional Sustainability Committee on 27 November.

Actual costs were \$1,256,000.



Activity: Environment education

Levels of service:

1 Help children, businesses and the community to look after and restore the environment

Targets

Actual

LONG-TERM targets by 30 June 2016

Through the Take Care community environmental education programme, five new care groups will be established each year and assisted to care for degraded local ecosystems. Existing care groups will be maintained.

An additional five care groups have been established each year. At year-end we had 36 groups operating. More than 50 groups across the region have been assisted by Greater Wellington since the programme's inception.

On average, 2,000 students per year will participate in the Take Action environmental education programme.

Since 2002/03, an average of more than 2,100 students has participated each year in the environmental education programme.

20 small-to-medium-sized businesses per year will be provided with advice on how to take practical action to avoid, remedy or mitigate any adverse effects on the environment.

The number of businesses seeking advice about how to be more sustainable continues to increase. Greater Wellington has advised and assisted a number of businesses directly, as well as through its involvement in and funding of the EnviroSmart cleaner production programme and the Get Sustainable Challenge.

More than 40 businesses a year have been involved in our programmes.



Environment Targets

Activity: Environment education (continued)

Targets

SHORT-TERM targets by 30 June 2008

Through the Take Care community environmental education programme, five new care groups will be established and assisted to care for degraded local ecosystems, and existing care groups will be maintained, within a budget of \$269,000.

20 schools will participate in the Take Action environmental education programme, within a budget of \$237,000.

20 small-to-medium-sized businesses will be given advice on how to take practical action to avoid, remedy or mitigate any adverse effects on the environment, within a budget of \$229,000.

Actual

A total of 36 care groups worked at sites across the region to restore the environment. Seven of these were either new groups or groups that had come to the end of their previous funding arrangement and been renewed this year.

Actual costs were \$305,000.

A total of 22 schools, 85 classes and 2,300 students participated in the Take Action programme this year.

Actual costs were \$286,000.

This year we worked with 22 manufacturing and process businesses as part of the EnviroSmart cleaner production programme. We sponsored the Get Sustainable Challenge, which involved more than 40 businesses and undertook waste audits of 15 businesses for Business Porirua's sustainable business programme.

We also audited 21 businesses this year under our Take Charge pollution prevention programme. However, delivery of the programme was slower than expected and was under budget.

Actual costs were \$87,000.

Environment Financial summary



109

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Funding statement		
General rate	8,904	8,904
Targeted rate	-	-
Government subsidies	64	10
Interest and dividends	21	21
Other operating revenue	1,333	1,448
Operating revenue	10,322	10,383
Direct operating expenditure	10,203	10,239
Finance costs	23	26
Depreciation	290	287
Operating expenditure	10,516	10,552
Operating surplus/(deficit)	(194)	(169)
Less:		
Capital expenditure	424	401
Proceeds from asset sales	(14)	(23)
Loan funding	(308)	(250)
Rates funded capital expenditure	102	128
Debt repayment	43	52
Investment additions	-	-
Operational reserve movement	133	(62)
Working capital movements	44	-
Non-cash items	(290)	(287)
Net funding required	(226)	-

Operating revenue

Managing resources	4,807	5,483
Monitor the state of the environment	4,380	3,819
Environmental education	1,135	1,081
Total operating revenue	10,322	10,383

Operating expenditure

Managing resources	5,529	5,595
Monitor the state of the environment	3,756	3,847
Environmental education	1,231	1,110
Total operating expenditure	10,516	10,552

Capital expenditure

Environmental monitoring equipment	307	250
Capital project expenditure	307	250
Land and buildings	-	-
Plant and equipment	67	80
Vehicles	50	71
Total capital expenditure	424	401



Greater Wellington's Transport group of activities contribute to the following community outcomes – *prosperous community, connected community, essential services, healthy environment, healthy community and quality lifestyle*. The specific activities continue to have a significant positive impact on wellbeing in general, particularly economic, environmental and social. Economic wellbeing is enhanced by providing a public transport system for people to get to work and by transport planning which facilitates the movement of freight and all types of vehicles for work purposes. This year we completed a draft Ngauranga to Wellington Airport Corridor Plan for public consultation.

Environmental wellbeing is enhanced through contracting public transport services. This results in fewer vehicles on the roads, particularly at congested times, and leads to lower environmental impacts. Passenger boardings in 2007/08 totalled 34.7 million, up 1.7% on 2007/08.

Greater Wellington also encourages cycling and walking. These are environmentally friendly transport options with positive spin-offs in fitness terms. This year we continued our work with schools and businesses to encourage sustainable travel options and revised our Regional Walking Plan.

Many public transport journeys are made for social reasons. The support we offer for special transport programmes for people with disabilities also leads to improved social wellbeing.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Prosperous community

Fund rail, bus and local harbour-ferry passenger services.

Connected community

Provide passenger service information through a call centre, website and paper timetables.

Essential services

Provide and maintain urban passenger trains, Park & Ride facilities, train stations, bus/rail interchanges, bus lanes and bus shelters.

Develop an affordable Regional Land Transport Strategy and monitor its implementation.

Healthy environment

Encourage people to use public transport.

Healthy community

Quality lifestyle

Part-fund taxi services for people with disabilities.



Transport Targets

Activity: Plan and monitor the transport network

Levels of service:

1 Develop an affordable Regional Land Transport Strategy and monitor its implementation

Targets

Actual

LONG-TERM targets by 30 June 2016

Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth.

All-day average congestion is 24.6 seconds delay per kilometre travelled (Transit New Zealand Travel Time Survey, March 2008)

At least 80% of all trips up to 1km and 60% of all trips between 1km and 2km will be walked or cycled (74% and 19% respectively in 2004).

The latest data that we have is from a survey carried out between February and April 2006. It showed that 74% of trips up to 1km and 27% of trips between 1km and 2km are made by walking or cycling.

Journey-to-work trips using public passenger transport will increase by 20%.

Progress towards this target will be measured when 2011 census data is available. On census day 2006, 17% of journey-to-work trips were made by public transport and progress will be measured against this baseline.

Less than 442 million litres of petrol and diesel per annum will be used for transport purposes.

Fuel sales in the year to 31 December 2006 were 450 million litres

Fuel sales in the year to 31 December 2007 were 464 million litres.

Fuel sales in the year to 30 June 2008 were 463 million litres.



Activity: Plan and monitor the transport network (continued)

Targets

Actual

SHORT-TERM targets by 30 June 2008

An annual report on the Regional Land Transport Strategy will be approved by the Council, within a budget of \$61,000. (The LTCCP budget of \$25,000 excluded monitoring and reporting on air quality.)

The 2006/07 Annual Monitoring Report was approved by the Regional Land Transport Committee and published in September 2007 at a cost of \$61,000.

A travel plan programme and active transport coordination will continue to be implemented, within a budget of \$785,000. (The LTCCP budget of \$1,057,000 overstated the cost of the programme and was subsequently reduced.)

Nine Wellington workplaces and eight schools in the region commenced travel plans through Greater Wellington's programme. Three of these programmes were funded by territorial authorities. We worked with the Sustainability Trust and Wellington City Council to deliver a community-based initiative focused on reducing vehicle kilometres travelled for short trips.

As territorial authorities picked up some costs, costs of the programme were less than anticipated. Total costs were \$310,000.

Parts of the Regional Land Transport Strategy will be completed and parts of it further developed, within a budget of \$323,000. (The LTCCP budget was \$221,000. However, \$160,000 was carried forward from 2006/07 to finalise the document.)

The Regional Land Transport Strategy (RLTS) was published in July 2007. The Regional Walking and Regional Cycling plans were reviewed to ensure alignment with the new RLTS. A draft Ngauranga to Wellington Airport Corridor Plan was completed for public consultation. The prioritisation process for the Regional Land Transport Programme review was deferred to align with the new requirements of the Land Transport Management Amendment Act.

The actual cost of \$87,000 was well under budget because of changes to the Ngauranga to Wellington Airport Corridor Plan and strategy reviews timetables.

The Wellington Transport Strategic Model will be maintained, within a budget of \$142,000. (The LTCCP budget was \$103,000. However, \$42,000 was carried forward from 2006/07 to complete upgrade of the model.)

The model was updated and maintained at a total cost of \$139,000.



Transport Targets

Activity: Provide the infrastructure for public transport

Levels of service:

1 Provide and maintain urban passenger trains, Park & Ride facilities, stations, bus/rail interchanges, bus lanes and bus shelters

Targets

Actual

LONG-TERM targets by 30 June 2016

Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth.

All-day average congestion is 24.6 seconds delay per kilometre travelled (Transit New Zealand Travel Time Survey, March 2008).

SHORT-TERM targets by 30 June 2008

All current and future public transport user facilities will be maintained in accordance with Greater Wellington's asset management plans and within a budget of \$9,311,000. This includes maintenance of public transport user facilities and provision of bus lanes and bus priority systems, as well as the improvement of signage at the region's 53 rail stations. (LTCCP budget was \$9,957,000. It was reduced because of changes to timing of projects.)

All public transport user facilities were maintained in accordance with Greater Wellington's guidelines and draft asset-management plans. During 2007/08, \$5,448,000 was spent maintaining and upgrading 2,829 bus stops, 818 shelters, 49 train stations and associated Park & Ride facilities.

Improvements to the region's public transport infrastructure during 2007/08 included 13 new bus shelters across the region (four to be installed as soon as consent is obtained), upgrade to the Wairarapa rail stations (including new shelters, seating, lighting, signage, bicycle racks and security cameras), partial upgrade of the bus shelter at Porirua Railway Station, subway extension at Plimmerton Railway Station to connect the station to Plimmerton Domain and a new subway roof at Waterloo Railway Station.

Changes in timing of planned projects meant that expenditure was less than budget.



Activity: Provide the infrastructure for public transport (continued)

Targets

SHORT-TERM targets by 30 June 2008 (continued)

Actual

There were delays and deferral of the following public transport infrastructure improvement projects:

- Further roll out of the Metlink CBD signs due to a review of the effectiveness of the current design
- Upgrades to the rail stations, platforms and associated works required for the new Matangi trains. Designs for the station modifications are being currently worked on with Ontrack
- Redevelopment of the bus/rail interchange at Johnsonville. This project is subject to the developer's plans for the redevelopment of Johnsonville Mall



Transport Targets

Activity: Fund and promote public transport services

Levels of service:

1 Fund rail, bus and local harbour-ferry passenger services

Targets

Actual

LONG-TERM targets by 30 June 2016

Average congestion on selected roads will remain below 20 seconds delay per kilometre travelled despite traffic growth (currently 20 seconds delay per kilometre).

All-day average congestion is 24.6 seconds delay per kilometre travelled (Transit New Zealand Travel Time Survey, March 2008)

At least 80% of all trips up to 1km and 60% of all trips between 1km and 2km will be walked or cycled (74% and 19% respectively in 2004).

A survey carried out between February and April 2006 showed that 74% of trips up to 1km and 27% of trips between 1km and 2km were made by walking or cycling.

Journey-to-work trips using public passenger transport will increase by 20%.

Progress towards this target will be measured when 2011 census data is available. On census day 2006, 17% of journey-to-work trips were made by public transport and progress will be measured against this baseline.

Less than 442 million litres of petrol and diesel per annum will be used for transport purposes (currently 459 million litres).

Fuel sales in the year to 31 December 2006 were 450 million litres
 Fuel sales in the year to 31 December 2007 were 464 million litres.
 Fuel sales in the year to 30 June 2008 were 463 million litres.



Activity: Fund and promote public transport services (continued)

Targets

Actual

SHORT-TERM targets by 30 June 2008

More than 95% of calls to the Metlink Service Centre will be answered and customers given the necessary travel information, within a budget of \$842,000 and with an overall customer satisfaction of 90%. (The LTCCP budget was \$591,000. The increase relates to real increases in service running costs because of increased call volumes and higher service levels.)

95% of all calls to the Metlink Service Centre were answered and customers were provided with the necessary travel information at a cost of \$817,000. The overall customer satisfaction rating achieved was 82%, which was similar to the previous year (83%). There was a 10% increase in call volumes compared to 2006/07.

Journey-to-work trips using public transport will increase by 4%.

Journey-to-work trips by public transport increased by 0.2% in 2007/08.

All rail, bus and harbour ferry service contracts will meet the requirements of Land Transport NZ (as required by the Land Transport Management Act), within a budget of \$56,113,000.

All rail, bus and harbour-ferry service contracts meet the requirements of Land Transport New Zealand (as required by the Land Transport Management Act 2003).

Additional improvements to the region's public transport services network during 2007/08 include only minor changes to services to improve efficiency. In November 2007, NZ Bus services were rescheduled to improve running times and reliability.

The total cost of contracted services, including concessionary fare reimbursements and school services, was \$56,726,000.

A procedural audit was carried out by Land Transport New Zealand covering the three years to 30 June 2007. No significant issues were identified.

Review Wellington city services, within a budget of \$125,000.

The review of the Wellington city services was delayed pending the completion of the review of Porirua services. However, this review has now commenced.

The cost of all reviews undertaken during the year was \$64,000.



Transport Targets

Activity: Fund total mobility

Levels of service:

1 Part-fund taxi services for people with disabilities

Targets

LONG-TERM targets by 30 June 2016

Greater Wellington will fund subsidised taxi travel for people with disabilities, distributed in consultation with disability agencies so that community facilities can be easily accessed.

SHORT-TERM targets by 30 June 2008

The Total Mobility scheme will be administered to the satisfaction of Land Transport NZ within a budget of \$1,870,000. (LTCCP budget of \$2,811,000 included indirect costs relating to this service. These no longer apply.)

Actual

Greater Wellington has continued to fund subsidised taxi travel for people with disabilities as set out in the *2006-16 Ten-Year Plan* (Long Term Council Community Plan, LTCCP).

Total Mobility scheme procedures were carried out in accordance with Land Transport New Zealand guidelines.

The cost for the year was \$1,886,000.

Three van hoists were funded through the scheme in 2007/08, one of which was a new hoist and two were replacements for old hoists. The scheme now has a fleet of 33 van hoists operating across the region.

Usage of the scheme in 2007/08 decreased by 2.6% over the previous year.

A procedural audit was carried out by Land Transport New Zealand covering the three years to 30 June 2007. No significant issues were identified.

Transport Financial summary



119

	Notes	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Funding statement			
General rate		-	-
Targeted rate		36,761	36,761
Government subsidies	1	53,348	81,539
Interest and dividends		74	(7)
Other operating revenue		385	247
Operating revenue		90,568	118,540
Direct operating expenditure	1	97,987	135,847
Finance costs		494	481
Depreciation		644	681
Operating expenditure		99,125	137,009
Operating surplus/(deficit)		(8,557)	(18,469)
Less:			
Capital expenditure	2	522	6,107
Passenger transport investment		524	979
Proceeds from asset sales		(9)	(12)
Loan funding		(11,308)	(25,208)
Rates and subsidy-funded capital expenditure		(10,271)	(18,134)
Debt repayment		1,652	779
Investment additions		-	-
Operational reserve movement		1,068	(433)
Working capital movements		(5,692)	-
Non-cash items		(644)	(681)
Net funding required		5,330	-

Operating revenue

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Plan and monitor the transport network	2,772	3,782
Provide the infrastructure for public transport	21,923	49,256
Fund and promote public transport services	63,906	63,339
Fund total mobility	1,967	2,163
Total operating revenue	90,568	118,540

Operating expenditure

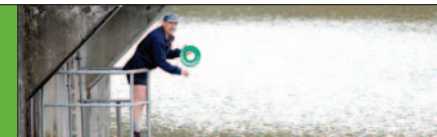
	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Plan and monitor the transport network	2,575	3,907
Provide the infrastructure for public transport	31,124	67,410
Fund and promote public transport services	63,347	63,528
Fund total mobility	2,079	2,164
Total operating expenditure	99,125	137,009

Capital expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Rail	524	5,297
Other	489	1,760
Capital project expenditure	1,013	7,057
Land and buildings	-	-
Plant and equipment	-	-
Vehicles	33	29
Total capital expenditure	1,046	7,086

Note 1: Government subsidies and expenditure are below budget due to the delays in a number of rail infrastructure projects, such as signalling, power and double tracking. The delays were due to the timing of the specifications of the new Matangi Electric Multiple Units and capacity issues of third parties.

Note 2: Capital expenditure was below budget due to delays in upgrading platforms and stations.



Greater Wellington collects, treats and delivers water to the cities of Lower Hutt, Porirua, Upper Hutt and Wellington. Our water supply group of activities contribute to the following community outcomes – *essential services, healthy community, healthy environment and prepared community*.

The continued supply of quality water is essential for the economic and social wellbeing of our community.

This year we continued to manage our water catchments and deliver high-quality water to the four cities. We expect to receive confirmation from the Public Health Service that the water complied with the Drinking-Water Standards for New Zealand. To ensure that we can meet present and future demands for water, we completed investigations for new water sources. We also ran a water-conservation programme during the summer.

The supply of water after an emergency event will be critical to the community's ability to recover. This year, as part of a long-term programme to make our systems more robust and secure, we added new emergency connections at Pukerua Bay, Upper Hutt and Wainuiomata.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Essential services

Collect water from the Hutt, Wainuiomata and Orongorongo catchments, and the Waiwhetu aquifer for public drinking-water supply.

Healthy community

Treat water so it meets the Ministry of Health's standards for drinking water.

Deliver water to the cities of Lower Hutt, Upper Hutt, Porirua and Wellington.

Assess the demand for water (now and in the future) and plan how such demands will be met, including developing future sources.

Healthy environment

Encourage people to use water wisely.

Manage catchments so that treatment plants receive good water quality.

Prepared community

Maintain our pipes and plants, and build resilience in the system so water can continue to be supplied after an emergency – or restored as quickly as possible.

Work with city councils to plan how water will be delivered to the community following an emergency event that disrupts supply.



Water supply Targets

Activity: Collect, treat and deliver water

Levels of service:

- 1 Collect water from the Hutt, Wainuiomata and Orongorongo catchments, and the Waiwhetu aquifer for public drinking-water supply
- 2 Manage catchments so treatment plants receive good-quality water
- 3 Treat water so that it meets the Ministry of Health's standards for drinking water
- 4 Deliver water to the cities of Lower Hutt, Upper Hutt, Porirua and Wellington

Targets

LONG-TERM targets by 30 June 2016

The quality of water supplied will continually meet the Ministry of Health's Drinking-Water Standards. The related water supply infrastructure will be maintained and improved to meet the standards specified in the Regional Water Supply Asset Management Plan.

Actual

It is expected that the Hutt Valley District Health Board will advise full compliance with the Drinking Standards for 2007/8 but, at the time of writing, this has not been confirmed. During the year, work began on preparing public health risk management plans. Greater Wellington manages its water supply assets in accordance with the Asset Management Plan, which was prepared to national standards.



Activity: Collect, treat and deliver water (continued)

Targets

SHORT-TERM targets by 30 June 2008

The collection, treatment and delivery of water will be managed to ensure the quality of water supplied continually complies with the Ministry of Health's NZ Drinking Water Standards: 2005. Expenditure will not exceed the budget of \$734,000.

The gradings of the water treatment plants at 1 July 2007 will be maintained, except for the plants that will be graded during the year.

Vegetation management and pest control measures will be carried out in water catchments in accordance with the Forestry Management Plan and within a \$306,000 budget, so that treatment plants receive good-quality water.

Our four Wellington metropolitan city council customers will be provided with a business report by 30 November 2007, including:

- Financial results for the preceding financial year ended 30 June
- Actual quality compared with targeted performance
- A list of interruptions to supply incidents, and time taken to respond and repair
- A report on compliance with resource consent requirements
- Status of ongoing service level agreements

Actual

55,654 million litres was collected, treated and supplied to the four cities during 2007/8 in compliance with the Drinking-Water Standards and to meet the quality of water required by the community. Changes to the testing system and the disestablishment of our laboratory resulted in costs being lower than expected.

Actual costs were \$280,000.

Te Marua, Wainuiomata and Waterloo water treatment plants retained their A1, A1, B gradings respectively. Gear Island, which is a standby plant, is awaiting grading and is currently graded "U" (ungraded).

Vegetation management and pest control measures were carried out by staff and contractors. Untreated water showed no abnormal levels of cryptosporidium. A planned pest control operation was not required.

Actual costs were \$115,000.

An annual business report was published by 30 November 2007 containing the required information. It was distributed to customers and other interested parties.



Water supply Targets

Activity: Plan to meet current and future demand for water

Levels of service:

- 1 Assess the demand for water (now and in the future) and plan how such demands will be met, including developing future sources
- 2 Encourage people to use water wisely

Targets

Actual

LONG-TERM targets by 30 June 2016

Water supply will be adequate to meet present and future demands in accordance with current supply policy (currently a 1 in 50-year drought standard).

Water consumption will be reduced by the amount agreed with our four city customers and specified in the Wellington Water Management Plan.

Because of greater than expected population growth, we are currently operating to a 1 in 35-year drought standard or a 2.8% probability of shortfall in any year.

A Wellington Water Management Plan technical document (for the four cities) has been completed (March 2008). This included both supply and demand management initiatives. A Regional Water Strategy is being developed which will build on this work for the entire region.



Activity: Plan to meet current and future demand for water (continued)

Targets

Actual

SHORT-TERM targets by 30 June 2008

System enhancements will start to enable supply for a population of 390,000.

The four city customers are being consulted about a number of short-term water supply options and responses are expected in the first half of the 2008/09 year. In parallel, preliminary design work has started on raising the maximum water level in the Stuart Macaskill Lakes.

A Council report will be prepared on the preferred new water source option.

A report on water supply development options, including a preferred new water source option, was received by the Parks, Utilities and Forests Committee on 8 May 2008.

A water conservation programme will be implemented within a \$185,000 budget. (LTCCP budget was \$74,000. However, it was increased to provide for research on water usage.)

A water conservation programme was undertaken over the summer period. More extensive advertising was needed during late summer because of the drought and resulting water shortage.

Total costs were \$232,000.



Water supply Targets

Activity: Plan for emergencies

Levels of service:

- 1 Maintain our pipes and plants, and build resilience in the system so water can continue to be supplied after an emergency – or restored as quickly as possible

Targets

Actual

LONG-TERM targets by 30 June 2016

Water will be available on a daily basis to meet the 1 in 50-year return period drought situation. The related water supply infrastructure will be maintained and improved to meet the standards specified in the Regional Water Supply Asset Management Plan.

Plans will be in place to enable water to be supplied to the community following a major natural disaster.

Because of greater than expected population growth, we cannot meet the 1 in 50-year standard and are currently operating to a 1 in 35-year drought standard or a 2.8% probability of shortfall in any year. We expect the 1 in 50-year standard to be restored by 2012.

Greater Wellington Water has an “n-1” policy for security of water supply. This means that even if one of the three main water treatment plants was out of commission, there would still be sufficient water available to meet the basic needs of the community under most circumstances. New cross connections between the customers’ reticulation system and the wholesale water pipelines are being installed over time. Greater Wellington is working with the Wellington City Council on developing a major new reservoir.



Activity: Plan for emergencies (continued)

Targets

SHORT-TERM targets by 30 June 2008

At least one customer emergency connection will be installed within a \$100,000 budget. (LTCCP budget was \$54,000. It was increased to provide for an unforeseen need for an emergency connection to the Pukerua Bay Reservoir.)

Hazard protection work will be undertaken at a cost not exceeding \$200,000.

Actual

Emergency water supply connections were installed at Fergusson Drive (below the Cruickshank Reservoir) and in Wainuiomata, and a bypass connection was installed at the Pukerua Bay Reservoir.

Actual costs were \$142,000.

The design of a bypass parallel to the Kaitoke-to-Karori pipeline, across the faultline at Te Marua, was completed. The bypass will help restore the water supply from any break in supply caused by a movement along the faultline.

Actual costs were \$153,000.



Water supply Financial summary

	Notes	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Funding statement			
General rate		-	-
Targeted rate		-	-
Water supply levy		23,460	23,460
Government subsidies		-	-
Interest and dividends		1,020	934
Other operating revenue		425	561
Operating revenue		24,905	24,955
Direct operating expenditure	1	13,822	15,545
Finance costs		3,491	4,043
Depreciation	2	6,369	7,299
Operating expenditure		23,682	26,887
Operating surplus/(deficit)		1,223	(1,932)
Less:			
Capital expenditure		3,873	5,016
Proceeds from asset sales		(30)	(20)
Loan funding		(3,784)	(4,837)
Rates funded capital expenditure		59	159
Debt repayment		5,768	3,524
Investment additions		1,765	1,684
Operational reserve movement		-	-
Working capital movements		-	-
Non-cash items		(6,369)	(7,299)
Net funding required		-	-

Operating revenue

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Collect, treat and deliver water	24,905	24,955
Total operating revenue	24,905	24,955

Operating expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Collect, treat and deliver water	23,682	26,887
Total operating expenditure	23,682	26,887

Capital expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Water sources	192	355
Water treatment plants	1,615	1,945
Pipelines	197	420
Pump stations	77	287
Reservoirs	-	100
Monitoring and control	606	880
Seismic protection	153	200
Other	943	650
Capital project expenditure	3,783	4,837
Land and buildings	12	-
Plant and equipment	17	81
Vehicles	61	98
Total capital expenditure	3,873	5,016

Note 1: Operating expenditure was below budget due to lower power and chemical costs due to lower take from Te Marua Lakes. Personnel and finance costs were also below budget.

Note 2: Depreciation was below budget as the water supply assets were not revalued as at 30 June 2007.



Greater Wellington's Parks group of activities contributes to four community outcomes – *quality lifestyle, sense of place, healthy community and healthy environment*.

Our diverse parks, forests and recreational areas have significant social benefits as they provide a wide range of outdoor recreational opportunities. 57% of the regional population visited at least one regional park last year and 91% said they were satisfied with the experience.

Our parks and forest areas also contribute to the environmental wellbeing of the community. We carry out intensive plant and animal pest control programmes, along with a range of restoration activities, many of which involve the community. Our monitoring has shown that the ecosystem health on Greater Wellington land is improving, with an increasing abundance of seedlings and native fauna. A high-quality environment is essential for our water supply catchment areas.

We continue to invest in facilities for our visitors. This year we upgraded tracks in the East Harbour Regional Park, including a boardwalk at the lakes block, replaced fences and replaced the septic system at Kaitoke Regional Park.

Our ranger services continued to work with the community on education and restoration projects, and to provide security for visitors.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Quality lifestyle

Manage Queen Elizabeth Park, Battle Hill Farm Forest Park, Belmont Regional Park, Kaitoke Regional Park and East Harbour Regional Park.

Sense of place

Manage the Hutt River Trail and recreation areas in the Akatarawa and Pakuratahi Forests, and in the Hutt, Wainuiomata and Orongorongo catchments.

Healthy community

Prepare management plans to guide use and development.

Develop and maintain assets, eg, tracks, plantings, shelters and other facilities.

Care for and monitor ecosystem health.

Provide a ranger service to help the public enjoy our parks, recreation areas and trails.

Run a summer programme of community events.

Involve local communities in the management of these areas.

Healthy environment



Parks Targets

Activity: Manage regional parks and recreation areas

Levels of service:

- 1 Manage Queen Elizabeth Park, Battle Hill Farm Forest Park, Belmont Regional Park, Kaitoke Regional Park and East Harbour Regional Park
- 2 Manage the Hutt River Trail and recreation areas in the Akatarawa and Pakuratahi Forests, and in the Hutt, Wainuiomata and Orongorongo catchments
- 3 Prepare management plans to guide use and development
- 4 Develop and maintain assets, eg, tracks, plantings, shelters and other facilities

Targets

Actual

LONG-TERM targets by 30 June 2016

The regional parks and forest areas will attract 750,000 visitors per annum and the customer satisfaction level will exceed 80%. A balance will be achieved between visitor numbers and the carrying capacity of these recreation areas.

The four regional parks (Battle Hill, Belmont, Kaitoke and Queen Elizabeth) and the two forests attracted an estimated 820,000 visits – up 25% from 2006/07. We estimate that around 57% (268,071 people) of the regional community visited at least one regional park in the past 12 months (compared with 51% for 2006/07). A survey carried out in May 2008 showed that 91% of visitors were satisfied with their most recent park experience.

There will be no loss of regionally significant landscapes, ecosystems and heritage features from park and forest areas.

The ongoing review of our park and forest management plans emphasises the importance of landscapes, ecosystems and heritage values. Systems to monitor ecosystem health and ongoing pest control programmes are showing that Greater Wellington is being successful in raising the ecological health of its land.

The assets in our parks and forest areas will be maintained and developed according to approved plans.

A regular system for monitoring, inspecting and maintaining assets is in place. Assessments show that the condition of these assets remains consistently high.



Activity: Manage regional parks and recreation areas (continued)

Targets

SHORT-TERM targets by 30 June 2008

Environmental assets and settings within the regional parks and forests will be managed in accordance with the Parks Environmental Asset Management Plan service levels, and within a budget of \$1,118,000.

Recreation and heritage assets and facilities in regional parks and forests will be managed in accordance with the Parks Infrastructural Asset Management Plan service levels, and within a budget of \$1,352,000.

The annual capital works programme will be undertaken to appropriate architectural and engineering standards, and within the Parks Asset Management Plan service levels, and within a budget of \$124,000. (LTCCP budget of \$75,000 was increased to provide a ranger's office at East Harbour Regional Park.)

Greater Wellington will investigate the possibility of assisting renewable energy production (eg, solar, wind and hydro energy) on its own land within a budget of \$90,000. (LTCCP budget of \$62,000 was increased to reflect better the engineering work required.)

The annual policy and planning work programme will be implemented in accordance with the relevant statutory processes, and within a budget of \$248,000.

Actual

Work programmes scheduled in the plan for 2008 have been completed within set timeframes and budgets. However, the Hutt 1080 operation has been deferred because of lower than expected residual trap catches. The budget for this has been carried over into 2008/09.

Actual costs were \$842,000.

Monitoring the condition of recreation and heritage assets and facilities in the regional parks and forests confirmed that these assets have been maintained according with the plan's service levels.

Actual costs were \$1,364,000.

The annual capital works programme was completed to appropriate standards and in accordance with the plan's service levels.

Actual costs were \$131,000.

A wind resource map of the region was published. RES NZ Ltd continued its investigations into a wind farm at Puketiro. An incorporated society initiated a High Court review of Greater Wellington's decision to allow wind turbines on the Battle Hill Farm Forest Park.

A contract was let to Meridian Energy for investigations into a wind farm at Stoney Creek in the Wairarapa.

Actual costs were \$118,000.

The draft management plan for the Battle Hill Farm Forest Park was completed. The reviews of the Parks Concessions Policy and Bylaws were initiated and will be completed in 2008/09.

Actual costs were \$157,000.



Parks Targets

Activity: Promote community use

Levels of service:

- 1 Provide a ranger service to help the public enjoy our parks, recreation areas and trails
- 2 Run a summer programme of community events
- 3 Involve local communities in the management of these areas

Targets

Actual

LONG-TERM targets by 30 June 2016

The regional parks and forest areas will attract 750,000 visitors per annum and the customer satisfaction level will exceed 80%. A balance will be achieved between visitor numbers and the carrying capacity of these recreation areas.

The four regional parks (Battle Hill, Belmont, Kaitoke and Queen Elizabeth) and the two forests attracted an estimated 820,000 visits. We estimate that around 57% (268,071 people) of the regional community visited at least one regional park in the past 12 months (compared with 51% for 2006/07). A survey carried out in May 2008 showed that 91% of visitors were satisfied with their most recent park experience.



Activity: Promote community use (continued)

Targets

SHORT-TERM targets by 30 June 2008

Ranger services will be provided that facilitate public access, education and inform visitors and users, liaise with community and stakeholder groups, and ensure compliance with Council policies, within a budget of \$1,082,000.

The marketing plan for the regional parks and forests will be implemented within a budget of \$156,000 and will include the planning, promotion and implementation of a regional outdoor programme.

Annual environmental enhancement projects will be completed to a budget of \$94,000.

Actual

A seven-day a week ranger service operated in our parks and forest areas to ensure that park users had a safe and enjoyable outdoor experience. Our rangers worked with school and community groups on a number of educational, planting and environmental restoration projects. New services (Whitireia Park and Lake Wairarapa) did not progress as planned.

Actual costs were \$703,000.

Our regional parks and forests were marketed according to the plan. The 2008 Regional Outdoors Programme (January to March) attracted 14,105 people to 57 events – a 30% increase over last year.

Actual costs were \$112,000.

A number of environmental enhancement projects were completed – many with the help of the following interest groups:

- Akatarawa Recreation Access Committee
- Friends of Belmont Regional Park
- Friends of Queen Elizabeth Park
- Friends of Maara Roa (Belmont Regional Park)
- Mainland Island Restoration Operation (East Harbour Regional Park)

Actual costs were \$80,000.



Parks Financial summary

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Funding statement		
General rate	5,472	5,472
Targeted rate	-	-
Government subsidies	-	-
Interest and dividends	-	-
Other operating revenue	935	1,076
Operating revenue	6,407	6,548
Direct operating expenditure	5,710	6,112
Finance costs	259	275
Depreciation	646	482
Operating expenditure	6,615	6,869
Operating surplus/(deficit)	(208)	(321)
Less:		
Capital expenditure	344	425
Proceeds from asset sales	(48)	(89)
Loan funding	(131)	(123)
Rates funded capital expenditure	165	213
Debt repayment	246	254
Investment additions	-	-
Operational reserve movement	74	(306)
Working capital movements	100	-
Non-cash items	(646)	(482)
Net funding required	(147)	-

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Operating revenue		
Manage regional parks and recreation areas	5,858	6,012
Promote community use	549	536
Total operating revenue	6,407	6,548
Operating expenditure		
Manage regional parks and recreation areas	6,022	6,328
Promote community use	593	541
Total operating expenditure	6,615	6,869
Capital expenditure		
Queen Elizabeth Park enhancements	50	-
East Harbour Park enhancements	9	50
Whitireia Park enhancements	-	-
Akatarawa Recreation Area enhancements	-	-
Asset-management plan upgrades	73	73
Capital project expenditure	132	123
Land and buildings	-	-
Plant and equipment	4	38
Vehicles	208	264
Total capital expenditure	344	425



Greater Wellington's Land group of activities includes our biosecurity and soil conservation operations. This work makes a major contribution to the economic wellbeing of the region (through its impact on the agricultural sector) and also to the community's environmental and social wellbeing. Land management contributes to the following community outcomes – *prosperous community* and *healthy environment*.

The control of bovine tuberculosis (bovine Tb) vectors protects the viability of the region's cattle, deer and dairy farming, thereby enhancing farming productivity and the health of our ecosystems. Just over 80% of our region is now under intensive possum control programmes and we have already exceeded our target to reduce the number of bovine Tb-infected cattle and deer herds. This year we also continued our pest control in priority key native ecosystem sites and expanded our joint venture pest control operations with local councils.

We promote sustainable land management practices to protect soils so they retain their productivity. The effect of the autumn and late spring droughts, the high New Zealand dollar and a downturn in forestry returns continue to impact on land-based industry activities. Despite the late start to the planting season and accompanying dry soil conditions, most of the soil conservation planting survived surprisingly well. Through our riparian management programme, we continued to enhance land and river ecosystems in key catchments.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Prosperous community

Develop pest management strategies.

Healthy environment

Eradicate or reduce significant pests (eg, possums, manchurian wildrice, moth plant and rooks).

Reduce the numbers of wildlife that transmit bovine Tb to farmed cattle and deer (under contract to the Animal Health Board).

Investigate and manage the use of land.

Assist farmers and the community to protect and enhance the land.

Provide advice on land-management issues.



Land Targets

Activity: Manage pest plants and animals

Levels of service:

- 1 Develop pest-management strategies
- 2 Eradicate or reduce significant pests (eg, possums, manchurian wildrice, moth plant and rooks)

Targets

Actual

LONG-TERM targets by 30 June 2016

Improve the health of the region's ecosystems and economy by implementing pest plant and animal management strategies. These will be carried out on 10 wetlands, four coastal escarpments, two dune ecosystems sites and 40 native forest areas.

The 2007/08 Regional Pest Management Strategy Operational Plan was successfully implemented. There has been a focus on surveillance for new species and the eradication of pests of limited distribution that threaten the regional environment and economy. The Key Native Ecosystem/Territorial Authority Reserves programme continued with 33 sites receiving pest plant control and 88 sites receiving pest animal control. Sites controlled included 10 wetlands, four dune ecosystems, six coastal escarpments, six riparian/estuarine sites and 70 native forest sites.



Activity: Manage pest plants and animals (continued)

Targets

SHORT-TERM target by 30 June 2008

Work programmes identified in the sixth year of the Regional Pest Management Strategy 2002-2022 will be implemented in accordance with the approved operational plan, within a budget of \$2,352,000

Actual

An annual report on achievements under the Regional Pest Management Strategy (RPMS) for the 2007/08 year will be presented to the Catchment Management Committee for approval in November 2008.

88 pest animal control sites (including 33 private sites) received work at a cost to Greater Wellington of \$342,456. Additional costs of \$116,300 were funded by territorial authorities. Servicing of Key Native Ecosystem (KNE) and reserve sites in the western zone was delayed during the first and second quarters because of lack of contractor capacity.

The rook control programme was under spent by 44% due to persistent high winds during the optimum control period. The cat desexing programme planned for Wellington city was abandoned through lack of interest from practitioners. The costs for the rabbit, magpie, possums and other species programmes were close to budget.

An aerial pest control operation in the Hutt catchment (on behalf of Parks) was deferred following trend monitoring.

65 pest plant control contracts for biodiversity enhancement across a range of ecosystems were completed at a total cost of \$168,224, with additional contributions of \$30,100 from territorial authorities.

RPMS pest plant contract operations were achieved at a lower cost than previous years – surplus funds were directed to KNE pest plant work.

Actual costs were \$2,041,900.



Land Targets

Activity: Control bovine tuberculosis in wildlife

Levels of service:

- 1 Reduce the numbers of wildlife that transmit bovine tuberculosis (bovine Tb) to farmed cattle and deer (under contract to the Animal Health Board)

Targets

LONG-TERM targets by 30 June 2016

Our farming productivity and ecosystems will be enhanced by having 80% of the region under intensive possum control programmes, and by reducing the percentage of infected Tb cattle and deer herds to 0.2% (six infected herds).

SHORT-TERM target by 30 June 2008

Bovine Tb vector control operations will be planned and implemented over 269,405 hectares in accordance with the Wellington Bovine Tb Strategic Plan, within a budget of \$4,219,000. (LTCCP provided for 354,200 hectares within a budget of \$4,404,000. Reduction of area and budget is result of changed Animal Health Board funding and programmes.)

Actual

At 30 June 2008, 81% of the region was under intensive possum control programmes, and there were nine infected bovine Tb cattle herds. This exceeded our 2008 target of 12 herds in the Regional Tb Operational Plan.

The approved bovine Tb programme was reviewed and reduced in December 2007. The revised programme involved 208,000ha of vector control operations (possum control), 2,100ha of ferret control and 177,600ha of feral animal surveys.

Vector control operations were successfully completed to Animal Health Board standards on 168,800ha. A further 20,500ha now have a 2008/09 completion date because of tendering delays. The completion date for the remaining 18,700ha is expected to be early 2008/09. The planned ferret control and feral animal surveys were completed.

Actual costs were \$3,416,400.



Activity: Promote sustainable land management

Levels of service:

- 1 Investigate and monitor the use of land
- 2 Assist farmers and the community to protect and enhance the land
- 3 Provide advice on land-management issues

Targets

LONG-TERM targets by 30 June 2016

The promotion of sustainable land management activities will result in:

- An additional 4,500 hectares of erosion prone land planted using sustainable management practices
- Communities being protected from major damage or harm caused by flooding and erosion
- Maintenance of the overall health of our soils
- Maintenance of the water quality in our key rivers and streams

Actual

Stabilisation of erosion-prone land is progressing. We planted 412 hectares of soil conservation trees during the year using sustainable management practices.

Annual programmes focusing on erosion and flood protection have been completed for the six community catchment control schemes.

Baseline monitoring of soil health has been completed. Repeat monitoring has shown that there has not been any significant change to the region's soil health.



Land Targets

Activity: Promote sustainable land management (continued)

Targets

SHORT-TERM targets by 30 June 2008

Approved soil conservation programmes, incorporating 300 hectares of pole planting (22,000 poles), 150 hectares of conservation woodlots and 4km of shelterbelt, will be completed to the Council's performance standards, within a budget of \$550,000.

Approved programmes will be completed under six catchment control schemes to each advisory committee's satisfaction and to the Council's performance standards, within a budget of \$91,000.

Stage 2 of the soil quality monitoring programme will continue – established sites will be revisited to determine whether there has been any change over time, within a budget of \$30,600.

5km of riparian restoration works will be carried out to increase biodiversity along stream banks, within a budget of \$196,000.

Actual

Approved soil conservation programmes were completed on 139 properties, incorporating 370 hectares of pole planting (26,000 poles), 42 hectares of conservation woodlots and 3km of shelterbelt. Programmes were completed to the Council's performance standards.

Actual costs were \$587,100.

Approved programmes have been completed for each of the six catchment control schemes to established standards and in accordance with resolutions of the advisory committees.

Actual costs were \$110,900.

A further 25 sites were revisited within Stage 2 of the soil quality monitoring programme.

Actual costs were \$21,958.

3km of new riparian planting and 1.5km of maintenance planting were carried out as part of the riparian management programme to increase biodiversity.

Actual costs were \$170,200.

Land Financial summary



141

	Council 2008 Actual \$000s	Council 2007 Budget \$000s
Funding statement		
General rate	4,352	4,352
Targeted rate	198	198
Government subsidies	-	-
Interest and dividends	47	59
Other operating revenue	5,156	6,370
Operating revenue	9,753	10,979
Direct operating expenditure	9,436	10,862
Finance costs	-	-
Depreciation	121	91
Operating expenditure	9,557	10,953
Operating surplus/(deficit)	196	26
Less:		
Capital expenditure	179	187
Proceeds from asset sales	(18)	(45)
Loan funding	-	-
Rates funded capital expenditure	161	142
Debt repayment	-	-
Investment additions	-	-
Operational reserve movement	28	(25)
Working capital movements	(797)	-
Non-cash items	(121)	(91)
Net funding required	925	-

Operating revenue

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Promoting sustainable land management	2,408	2,669
Control bovine Tb wildlife vectors	3,796	4,477
Manage pest plants and animals	3,549	3,833
Total operating revenue	9,753	10,979

Operating expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Promoting sustainable land management	2,419	2,632
Control bovine Tb wildlife vectors	3,721	4,524
Manage pest plants and animals	3,417	3,797
Total operating expenditure	9,557	10,953

Capital expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Land and buildings	-	-
Plant and equipment	-	-
Vehicles	179	187
Total capital expenditure	179	187



Greater Wellington's Safety and Flood Protection group of activities contributes to the following community outcomes – *quality lifestyle, prepared community, healthy community, healthy environment and sense of place.*

We contribute to economic and social wellbeing by assisting the community to protect itself from the consequences of flooding. We do this by investigating flood hazards, preparing floodplain management plans, and building and maintaining flood protection works, as well as extracting gravel and operating flood-warning systems. As part of this work we look after our river environment, thereby contributing to environmental wellbeing. This year, all planned maintenance work was completed and we continued to implement the major capital works programme to reduce flood damage. We are now into Year 8 of the 40-year programme.

Greater Wellington runs the Emergency Management Office and Emergency Operation's Centre (EOC) of the Wellington Region Civil Defence Emergency Management Group – a consortium of local authorities in the region. Being prepared and able to respond to emergency events contributes to the economic, social, cultural and economic wellbeing of the community. This year we completed some significant plans, such as the Group Recovery Plan, began the delivery of a comprehensive volunteer training programme and participated in six emergency management exercises.

Greater Wellington also manages the region's harbours for navigation safety and manages environmental incidents, such as oil spills. Our harbour management work contributes to the economic, social, environmental and wellbeing of the community

During the year, the Council approved a Wellington Harbour Safety Management System designed to help both Greater Wellington and CentrePort Ltd manage the harbour effectively. We also scuttled three abandoned vessels because they posed both an environmental and navigational risk to Wellington Harbour.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Quality lifestyle

Plan to reduce the impacts of floods.

Build and maintain agreed flood protection works, eg, stopbanks.

Provide a consultancy service for land drainage schemes.

Prepared community

Plan for emergency events.

Tell people about the risks they face and how these can be managed.

Operate the Wellington Civil Defence Emergency Management Group Emergency Operations Centre.

Operate a flood warning system.

Healthy community

Provide navigation aids in our harbours and a communications service for Wellington Harbour.

Educate people about water safety and enforce maritime safety rules.

Healthy environment

Enhance the environment along flood corridors.

Sense of place

Clean up oil spills in our harbours and coastal waters.



Safety and flood protection Targets

Activity: Flood protection

Levels of service:

- 1 Plan to reduce the impacts of floods
- 2 Operate a flood-warning system
- 3 Build and maintain agreed flood protection works, eg, stopbanks
- 4 Enhance the environment along flood corridors
- 5 Provide a consultancy service for land-drainage schemes

Targets

LONG-TERM targets by 30 June 2016

There will be no loss of life or significant damage as a result of a flood event. Significant damage is defined as:

- Damage caused by water from flooding rivers or streams (not stormwater systems) entering at least five houses or commercial/industrial premises
- Flooding that leads to damage to key infrastructure that causes significant disruption to a community for one week or more, or widespread flood damage of farmland that has a significant impact on the neighbouring community

Actual

There was no significant flooding across the region during the last year apart from a 10-year event on the Mangaone Stream in the Kapiti Coast. One house was flooded but there was no damage to any scheme assets. Work continued on implementing the major capital works programme to reduce flood damages. We are now eight years into the 40-year programme with an expenditure of \$6.0 million last year. All maintenance and flood-damage repair works were completed as programmed within the budget of \$4.5 million.

Safety and flood protection Targets



145

Activity: Flood protection (continued)

Targets

SHORT-TERM targets by 30 June 2008

The Waiwhetu Stream floodplain investigation will be completed within a budget of \$68,000.

River investigations in the Wairarapa, including the Waingawa scheme review, will be completed to the satisfaction of the Rural Services and Wairarapa Committee, within a budget of \$343,000.

The Ava Railway Bridge improvements will be completed, including the stopbank upgrade, edge protection works and Greater Wellington's contribution to the Opahu Stream pump station (to be constructed by the Hutt City Council), in accordance with accepted engineering standards and within a budget of \$6,218,000.

The construction of the Chrystalls extended stopbank, Otaki River, will be completed in accordance with accepted engineering standards and within a budget of \$1,850,000. (LTCCP budget was \$1,630,000. The 2007/08 budget was increased but the overall project budget remains unchanged.)

Actual

The scope of this activity changed during the year. Council agreed to delay completion of the floodplain investigation in favour of advancing the clean-up of heavily contaminated sediments in the lower reaches of the Waiwhetu Stream. Some options were developed, and there was work and ongoing consultation with the stakeholder groups.

Actual costs were \$44,500.

The Waingawa scheme review was not completed but was progressed by collecting and analysing baseline data.

The study of private stopbanks and structures around Lake Wairarapa was not completed but a report on the existing structures was completed.

The work on the Lower Valley Development scheme global consent was completed.

Actual costs were \$245,500.

The Ava Railway Bridge waterway improvements were completed, including the stopbank upgrade edge protection works and Greater Wellington's contribution to the Opahu Stream pump station (to be constructed by the Hutt City Council), in accordance with accepted engineering standards.

Actual costs in 2007/08 were \$2,054,600. Total project costs were \$5,146,500.

The Chrystalls extended stopbank construction was completed in accordance with accepted engineering standards and within budget. Final arrangements for easements and land purchase will be completed during the 2008/09 year.

Actual costs were \$1,268,200.



Safety and flood protection Targets

Activity: Flood protection (continued)

Targets

SHORT-TERM targets by 30 June 2008 (continued)

The construction of the South Waitohu stopbank, Otaki, will be completed in accordance with accepted engineering standards and within a budget of \$506,000.

The Lower Wairarapa Valley Development scheme stopbank improvements will be completed within a budget of \$870,000. (LTCCP budget was \$951,000. However, project was changed from a 7 to 9-year upgrade and annual budget was reduced accordingly.)

Maintenance operations in the western part of the region will be completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan, and within a budget of \$2,271,000.

Maintenance operations for the 10 Wairarapa river schemes will be completed to established standards and to the satisfaction of the Scheme Advisory Committees, and within a budget of \$1,798,000. (LTCCP budget of \$1,598,000 was increased to provide additional maintenance and to complete flood damage repair work.)

The Hutt, Waikanae and Otaki River corridors will be maintained to the satisfaction of the Landcare Committee and, where appropriate, improvements identified in the adopted River Environmental Strategy will be undertaken, within a budget of \$156,000.

Actual

The project was delayed as it has taken longer than expected to obtain landowner approval for building the stopbank and investigate options for mitigating effects on downstream properties. Construction is now proposed for 2008/09. We are currently progressing the consent application.

Actual costs were \$52,000.

The Lower Wairarapa Valley Development scheme stopbank improvements was completed as planned.

Actual costs were \$875,500.

Maintenance operations in the western part of the region were completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan.

Actual costs were \$1,982,000.

Maintenance operations for the 10 Wairarapa river schemes were completed in accordance with established standards and to the satisfaction of the Scheme Advisory Committees.

Actual costs were \$1,383,100.

Western River corridors were maintained in accordance with the relevant River Environmental Strategy. A summary of the significant activities undertaken during the year will be supplied to the Catchment Committee later in 2008 as part of the annual asset maintenance report.

Actual costs were \$121,500.



Activity: Emergency management

Levels of service:

- 1 Plan for emergency events
- 2 Tell people about the risks they face and how these can be managed
- 3 Operate the Wellington Civil Defence Emergency Management Group Emergency Operations Centre

Targets

Actual

LONG-TERM targets by 30 June 2016

The Wellington Region Civil Defence Emergency Management (CDEM) Group's Plan is implemented to the satisfaction of the CDEM Group. As a result, the community and emergency management agencies will:

- Be aware of the risks they face
- Take action to manage the risks they face (80% of households in the region will have emergency food and emergency water supplies – currently 65% and 69% respectively)
- Know their roles and responsibilities
- Be able to respond to and recover from emergency events effectively

The Wellington Region CDEM Group met twice in 2007/08. A report on progress with the work programmes in the group's plan was reported to each meeting.

The CDEM Group carries out a number of public education programmes to increase awareness of risk and preparedness for an emergency. This year we were involved in Disaster Awareness Week and the Earth Rocks exhibition at Te Papa, and a variety of preparedness material (eg, scenario cards, hazard fact sheets, fridge magnets, household emergency plans, booklets and brochures).

SHORT-TERM targets by 30 June 2008

69% of household will have emergency food and 73% will have emergency water supplies, within a budget of \$49,000.

An audit of all emergency operation centres will be completed to the satisfaction of the Civil Defence Emergency Management Group.

A report on progress with the implementation of the Wellington Region CDEM Plan will be approved by the CDEM Group.

A July 2007 survey showed that 72% of households have emergency food supplies and 71% have adequate emergency water supplies. Actual costs were \$48,000.

The Ministry of CDEM carried out two audits. Remainder are scheduled for 2008/09.

Progress with implementing the CDEM Group Plan was reported to the CDEM Group on 1 November 2007 and 8 May 2008.



Safety and flood protection Targets

Activity: Harbour management

Levels of service:

- 1 Provide navigation aids in our harbours and a communications service for Wellington Harbour
- 2 Educate people about water safety and enforce maritime safety rules
- 3 Clean up oil spills in our harbours and coastal waters

Targets

Actual

LONG-TERM targets by 30 June 2016

The Port and Harbour Safety Management System recommendations will be achieved to the satisfaction of the Council.

The principle recommendation from the Port and Harbour Safety Management System was to upgrade the Beacon Hill Signal Station. Construction is due to commence in late 2008.

No significant accidents will occur in our harbours and coastal waters.

No significant accidents occurred in our harbours and coastal waters last year.

Adverse effects from oil spills in harbour and coastal waters will be minimised.

Oil spill response equipment has been kept in a ready state to allow a fast response to incidents. Harbours staff have maintained their oil spill response qualifications and continued to use "oil spill transfer checklists" to reduce oil bunkering spills.

Safety and flood protection Targets



149

Activity: Harbour management (continued)

Targets

SHORT-TERM targets by 30 June 2008

The Beacon Hill Harbour Communications Station will provide a 24-hour, 365-day service, in accordance with Council-agreed operating standards, and within a budget of \$415,000. (LTCCP budget of \$342,000 was increased to provide for implementation of the Port and Harbour risk assessment.)

Safety in harbours and coastal waters is maintained within a budget of \$100,000 by:

- Administering the Wellington Regional Navigation and Safety Bylaws
- Educating recreational boaters and harbour users about safety issues
- Monitoring behaviour for safety purposes with our harbour ranger service
- Investigating all reports of unsafe behaviour (a formal record will be kept)

Reports of oil spills in harbour waters will be checked within 30 minutes, and clean-up action for actual oil spills commenced within one hour of being reported in harbour waters and within three hours of being reported in regional coastal waters, within a budget of \$16,000.

Actual

The Communications Station operated on a 24-hour, 365-day basis in accordance with agreed operating standards.

Actual costs were \$411,000.

During the summer months we carried out a safety education programme and maintained a high profile on the water to educate the public about water safety (under our Navigation and Safety Bylaws) and to prevent accidents.

The bylaws were distributed in appropriate “safe boating packs” at boat ramps, marinas, marine shops and harbour events. The packs included safety information from the Boating Safety Strategy that was developed by the National Pleasure Boat Safety Forum.

Behaviour on the water was monitored for safety and all reports of unsafe behaviour were investigated and recorded. This year, seven infringement notices were issued for more serious breaches of the bylaws.

Actual costs were \$107,000.

22 reports of oil spills were received and six required clean-up action. All were minor – there were no significant oil spills. All reported spills were checked-out within the approved timeframes.

Actual costs were \$44,000.



Safety and flood protection

Financial summary

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Funding statement		
General rate	8,389	8,389
Targeted rate	4,550	4,551
Government subsidies	79	121
Interest and dividends	434	486
Other operating revenue	3,179	2,405
Operating revenue	16,631	15,952
Direct operating expenditure	9,759	9,583
Finance costs	2,356	2,433
Depreciation	1,048	915
Operating expenditure	13,163	12,931
Operating surplus/(deficit)	3,468	3,021
Less:		
Capital expenditure	6,510	8,499
Proceeds from asset sales	(26)	(79)
Loan funding	(5,358)	(7,677)
Rates funded capital expenditure	1,126	743
Debt repayment	2,043	2,035
Investment additions	395	378
Operational reserve movement	998	779
Working capital movements	935	-
Non-cash items	(1,048)	(914)
Net funding required	(981)	-

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Operating revenue		
Flood protection	14,002	13,463
Emergency management	877	748
Harbour management	1,752	1,741
Total operating revenue	16,631	15,952
Operating expenditure		
Flood protection	10,494	10,499
Emergency management	915	759
Harbour management	1,754	1,673
Total operating expenditure	13,163	12,931
Capital expenditure		
Harbours improvements	55	900
Hutt floodplain management plan	82	150
Hutt river improvements	2,971	3,495
Waikanae river improvements	38	145
Otaki river improvements	1,355	2,381
Wairarapa scheme improvements	1,218	870
Other flood protection	45	268
Capital project expenditure	5,764	8,209
Land and buildings	515	-
Plant and equipment	52	90
Vehicles	179	200
Total capital expenditure	6,510	8,499

Capital expenditure was below budget due to delays in upgrading the Beacon Hill facility while property issues were being resolved and lower land costs for Chrystalls extended stopbank.



Greater Wellington’s Community group of activities contributes to the following community outcomes – *strong and tolerant community*, and *entrepreneurial and innovative region*.

Our democratic processes contribute to the social wellbeing of the region by ensuring that the community is empowered to participate in the Council’s decision making. This year we successfully completed our arrangements for the Council’s triennial elections. The first meeting of the triennium was in October 2007 when councillors made their statutory declarations to perform their duties.

The involvement of Maori in our work is vital to the cultural and social wellbeing of the region. Greater Wellington has a positive and enduring relationship with tangata whenua. This year the Council decided to enhance this relationship by deciding that a Maori representative be appointed to all Council committees.

Greater Wellington acts as “keeper” of the Wellington Regional Strategy (WRS). This is a sustainable growth strategy developed by all local authorities in the region in conjunction with central Government, and the region’s business, education, research and voluntary sector interests. This year as part of the WRS, Grow Wellington (a regional economic development agency) was established to contribute to the economic wellbeing of the region.

The Westpac Stadium, to which Greater Wellington contributes financially, is a high-quality, multipurpose sporting and cultural venue that has a positive impact on the economic, cultural and social wellbeing of the Wellington region.

HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

Strong and tolerant community

Provide opportunities for the public to participate in decision making, eg, in meetings or through planning and budgeting processes.

Run elections and pay Councillors.

Arrange and service Council meetings.

Work with iwi (collectively through Ara Tahiri) and also individually.

Assist iwi to undertake special projects and to work with Greater Wellington.

Entrepreneurial and innovative region

Work with city and district councils to implement the Wellington Regional Strategy.

Fund an economic development agency for the region.

Service a \$25 million loan to the Stadium Trust.



Community Targets

Activity: Run a democratic process

Levels of service:

- 1 Provide opportunities for the public to participate in decision making, eg, in meetings or through planning and budgeting processes
- 2 Run elections and pay Councillors
- 3 Arrange and service Council meetings

Targets

Actual

LONG-TERM targets by 30 June 2016

The community will be informed about, and given an opportunity to participate in, all of Council's significant decision making and issues which may have an impact on rates.

All statutory requirements for meetings, including public notice and public availability of order papers, will be met.

The Council consulted on the Proposed 2008/09 Annual Plan in accordance with the special consultative procedure of the Local Government Act 2002. A total of 125 submissions were received and 32 submitters presented their submissions to Council's Annual Plan Hearings Committee.

Public notice of meetings was provided in accordance with the Local Government Official Information and Meetings Act 1987. Order papers were despatched on time with the exception of the Wellington Regional Strategy and Regional Sustainability Committees on 23 November 2007 and 18 March 2008 respectively.



Activity: Run a democratic process (continued)

Targets

SHORT-TERM targets by 30 June 2008

All statutory decision-making processes will be completed in accordance with legislative requirements.

Community input will be sought before any significant decision on matters which may impact on rates.

Public notice of meetings will be given in accordance with the Local Government Official Information and Meetings Act 1987.

Order papers for meetings will be available for public inspection at least two days before the meeting.

The 2007 local body election process will run efficiently and without error.

Actual

All statutory decision-making processes were completed.

Consultation on the Council's Proposed 2008/09 Annual Plan was undertaken in accordance with the requirements of the Local Government Act 2002.

All meetings were publicly notified in accordance with statutory requirements.

Order papers were despatched on time with the exception of the Wellington Regional Strategy and Regional Sustainability Committees on 23 November 2007 and 18 March respectively.

The arrangements for the Council's triennial elections, for which Greater Wellington was responsible, were carried out without error.



Community Targets

Activity: Involve Maori in work

Levels of service:

- 1 Work with iwi, collectively (through Ara Tahi) and also individually
- 2 Assist iwi to undertake special projects and to work with the Council

Targets

Actual

LONG-TERM targets by 30 June 2016

Greater Wellington and iwi of the region will continue to have a mutually beneficial relationship.

Greater Wellington has continued to have an effective relationship with iwi of the region. This year Council enhanced Maori participation in decision making by appointing Maori representatives to those Council committees without a Maori appointee.

SHORT-TERM targets by 30 June 2008

Ara Tahi will meet six times, within a budget of \$56,000.

Ara Tahi met six times this year within a budget of \$37,000.

Five technical workshops were also held.

Iwi will be resourced to undertake special projects which will mutually benefit the Council and iwi, and to engage with the Council on a wide range of issues.

A Te Ati Awa ki Whakarongotai project proposal was approved to enhance the iwi's GIS capacity. A Ngati Raukawa project was also approved to develop a project plan for the ecological recovery of a local wetland and lake.



Activity: To act as a keeper of the Wellington Regional Strategy

Levels of service:

- 1 Maintain an effective Wellington Regional Strategy addressing sustainable prosperity and quality of life, and monitor its implementation
- 2 Operate a Wellington Regional Strategy (WRS) Committee to develop and implement the WRS

Targets

Actual

LONG-TERM targets by 30 June 2012*

Greater Wellington will continue to develop and implement the Wellington Regional Strategy in partnership with territorial authorities in the region.

The “Good Regional Form” elements of the Wellington Regional Strategy (WRS) are being progressed in collaboration with the territorial authorities. These include, among others, the broadband project which was identified as the top priority in the WRS. The WRS Committee has met every two months to progress the strategy’s implementation.

Note

* Funding for the activity ceases after 30 June 2012. A decision to continue the activity will follow a review, to be undertaken before 30 June 2011

SHORT-TERM target by 30 June 2008

Progress on the strategic actions identified in the adopted Wellington Regional Strategy will be achieved according to timetable.

A programme of work was adopted by the Wellington Regional Strategy (WRS) Committee and is progressing according to the timetable. Progress has been made on the development of a genuine progress index for the region, a regional approach to urban design, regional form (the physical arrangement of urban and rural communities) and region-wide broadband.

The Greater Wellington Regional Council will continue to facilitate stakeholder engagement in Wellington Regional Strategy (WRS) priority action areas.

The WRS office was established during the year and staff have worked with a wide range of stakeholders on WRS programmes.



Community Targets

Activity: Operate a regional economic development agency

Levels of service:

1 Establish and fund an economic development agency (EDA) for the region via a Council Controlled Organisation

Targets

Actual

LONG-TERM targets by 30 June 2012*	Actual
There will be an overall improvement in the Wellington Region's Genuine Progress Index.	No progress can be reported. A genuine progress index framework is still to be completed.
A top-10 ranking will be achieved in the Mercer Quality of Living Survey (2006 = 12th).	Wellington was 12th in the 2007 survey.
The regional GDP per capita increase will be above the 10-year New Zealand rolling average.	Regional GDP per capita growth was 1.5% for the period 1997-2007. The New Zealand growth was 1.8%.
The average income of regional residents will increase to be above the 10-year New Zealand rolling average.	Information is not available at present.
The rate of increase in full-time equivalent jobs will be above the 10-year New Zealand rolling average.	Information is not available at present.
There will be an improvement in resident perceptions of the region as a place to live and work.	No progress can be reported. The Quality of Life Survey is being undertaken in August 2008.

Note

* Funding for the activity ceases after 30 June 2012. A decision to continue the activity will follow a review, to be undertaken before 30 June 2011



Activity: Operate a regional economic development agency (continued)

Targets

SHORT-TERM target by 30 June 2008

The arrangements and change processes for delivering economic development in the region will be completed.

The EDA will meet the agreed Statement of Intent requirements, as approved by the Wellington Regional Strategy Committee.

The EDA will operate within the budget agreed by the Wellington Regional Strategy Committee.

Actual

Grow Wellington, a regional economic development agency (EDA), was established on 1 July 2008

A Statement of Intent (July 07-June 08) was agreed by the WRS Committee in December 2008. All requirements of this Statement of Intent were met.

The agreed budget was \$4 million.

Actual costs were \$3.7 million.



Community Financial summary

Funding statement

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
General rate	2,723	2,723
Targeted rate	6,676	6,676
Government subsidies	115	-
Interest and dividends	9	7
Other operating revenue	2,331	3,653
Operating revenue	11,854	13,059
Direct operating expenditure	8,758	9,803
Finance costs	1,576	1,554
Depreciation	27	32
Operating expenditure	10,361	11,389
Operating surplus/(deficit)	1,493	1,670
Less:		
Capital expenditure	87	65
Proceeds from asset sales	(14)	(16)
Loan funding	-	-
Rates funded capital expenditure	73	49
Debt repayment	1,088	1,068
Investment additions	-	-
Operational reserve movement	138	(196)
Working capital movements	(22)	-
Non-cash items	244	749
Net funding required	(28)	-

Operating revenue

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Run a democratic process	4,071	4,545
Involve Maori in our work	557	557
Act as keeper of the Wellington Regional Strategy	4,279	4,500
Contribution to the Regional Stadium	2,947	3,457
Total operating revenue	11,854	13,059

Operating expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Run a democratic process	4,147	4,724
Involve Maori in our work	557	557
Act as keeper of the Wellington Regional Strategy	4,027	4,500
Contribution to the Regional Stadium	1,630	1,608
Total operating expenditure	10,361	11,389

Capital expenditure

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Land and buildings	-	-
Plant and equipment	47	17
Vehicles	40	48
Total capital expenditure	87	65

Investment overview

Greater Wellington has a significant portfolio of investments comprising:

- Liquid financial deposits
- Administrative properties (eg, depots)
- Forestry and business units
- Advance to the Wellington Regional Stadium Trust
- Internal treasury management function
- Equity investments in the WRC Holdings Group (including CentrePort Ltd)

Greater Wellington's philosophy in managing investments is to optimise returns in the long-term, while balancing risk-and-return considerations. It recognises that as a responsible public authority, any investment it holds should be held for the community's long-term benefit, with any risk being appropriately managed. It also recognises that lower risk generally means lower returns.

From a risk management point of view, Greater Wellington is aware that its investment returns to the rate line are exposed to the success or otherwise of its two main investments – the WRC Holdings Group (including CentrePort Ltd) and its liquid financial deposits. At an appropriate time in the future, Greater Wellington believes it could continue to reduce its risk exposure by reducing its investment holdings and using the proceeds to repay debt. The timing of these divestments will be in accordance with Greater Wellington's objective to optimise the overall return to ratepayers.

Liquid financial deposits

Greater Wellington holds \$33 million in cash deposits as a result of selling its interest in CentrePort to one of its wholly owned subsidiaries, Port Investments Ltd. The rationale for holding these deposits is regularly reviewed, taking into account:

- General provisions of Greater Wellington's Treasury Management Policy, including attitude to risk and creditworthy counterparties
- Specific provisions of Greater Wellington's Treasury Management Policy to hold sufficient deposits or have committed funds available as part of its self-insurance of infrastructural assets
- The after-tax rate of return from alternative uses of these funds (eg, reducing debt)
- The requirement to hedge the \$44 million debt within the WRC Holdings Group



Administrative properties

Greater Wellington's interests in the Upper Hutt depot and the Masterton office building are grouped to form an investment category – administrative properties.

Forestry and business units

Greater Wellington and its predecessor organisations have been involved in forestry for many years, primarily for soil conservation and water quality purposes. Greater Wellington currently holds 6,000 hectares of plantation and soil conservation reserve forests of which approximately 4,000 hectares are in the western or metropolitan part of the region, with the remaining 2,000 hectares in the Wairarapa.

The overall investment policy with regard to forestry is to maximise long-term returns while meeting soil conservation, water quality and recreational needs. This policy assumes that harvesting will be on a sustainable yield basis and will be maintained without any demand on regional rates. In fact, both the plantation and reserve forest business units are required to budget for an internal dividend irrespective of the projected operating result for the year.

The internal dividend reflects the intergenerational equity issues inherent in the forestry investment and recognises the cost of ratepayer equity. The level of planned internal dividend contribution to the rate line from forestry is currently \$225,000 per year. This dividend will continue to be reviewed annually.

Of Greater Wellington's other business units, Akura Conservation Centre and the Wairarapa Workshop are also required to return an internal dividend in the same way as plantation forestry and reserve forests. The internal dividend rate is based on the net assets employed by each of these businesses. The level of internal dividend will continue to be reviewed annually.

BioWorks, Greater Wellington's biosecurity business unit, is not currently required to return an internal dividend.

Advance to the Wellington Regional Stadium Trust

Greater Wellington advanced \$25 million to the Wellington Regional Stadium Trust in August 1998. The advance is currently on an interest-free basis, with limited rights of recourse recognising the "quasi equity" nature of the advance. Under the International Financial Reporting Standards this advance has been written down to \$3.67 million as at 30 June 2008.

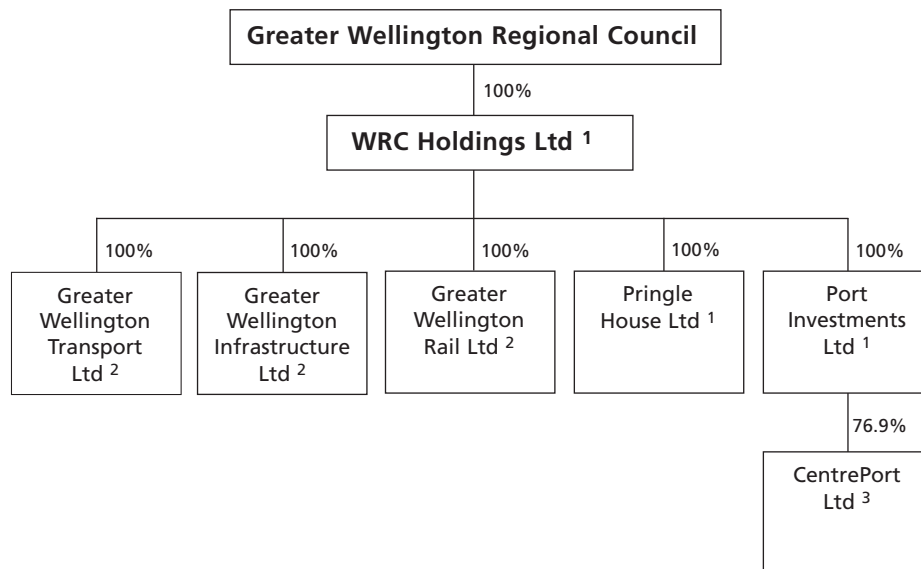
Greater Wellington's internal treasury function

Greater Wellington's treasury management activity is carried out centrally to maximise ability to negotiate with financial institutions. As a result of past surpluses, sales of property and capital returns from the port company, the treasury function produces an internal surplus by on-lending those funds to activities that require debt finance. This allows the true cost of debt funding to be reflected in the appropriate areas. This surplus is then used to offset regional rates.



Equity investments in the WRC Holdings Group

Greater Wellington has established the following equity investments in the WRC Holdings Group:



WRC Holdings Ltd and Port Investments Ltd are in essence investment holding companies. The main operating companies in the group are CentrePort Ltd and Pringle House Ltd. Greater Wellington Transport Ltd, Greater Wellington Infrastructure Ltd and Greater Wellington Rail Ltd will own Greater Wellington interests in public transport infrastructure, such as rail rolling stock, stations and trolley-bus wires.

Each year WRC Holdings Ltd provides to Greater Wellington, as 100% shareholder, a Statement of Intent for the WRC Holdings Group.

The WRC Holdings Group structure was originally set up for a number of reasons that remain applicable, including:

- Appropriate separation of management and governance
- Imposing commercial discipline on the Group’s activities to produce an appropriate return by ensuring appropriate debt/equity funding and requiring a commercial rate of return
- Separation of Greater Wellington’s investment and commercial assets from its public good assets

The WRC Holdings Group is Greater Wellington’s prime investment vehicle, and the main mechanism by which it will own and manage any additional equity investments should they be acquired in the future.

Periodically, Greater Wellington reviews the structure to determine if it’s still an appropriate vehicle for holding its investments.

In addition, Greater Wellington has minor equity interests in Civic Assurance and Airtel Ltd. These investments are owned directly by Greater Wellington rather than via the WRC Holdings Group.

(1) Council Controlled Trading Organisation in accordance with the Local Government Act 2002

(2) Council Controlled Trading Organisation in accordance with the Local Government Act 2002. These companies were incorporated on 3 August 2006

(3) Commercial Port Company pursuant to the Port Companies Act 1988 and not a Council Controlled Organisation in accordance with the Local Government Act 2002



Investments WRC Holding Group

Objectives of the Group

The primary objectives of the group as set out in the 2007/08 Statement of Intent (SOI) were to:

- Operate as a successful, sustainable and responsible business
- Own and operate Greater Wellington's headquarters at 142-146 Wakefield Street, Wellington (known as the Regional Council Centre), on a cost-effective basis
- Own Greater Wellington's interest in CentrePort Ltd to maximise the commercial value of CentrePort to the shareholders and protect their investment, while maintaining CentrePort's strategic value to the economy of the region
- Own Greater Wellington's future investment in public transport rail rolling stock.
- Effectively manage any other investments held by the group to maximise the commercial value to shareholders and protect their investments

The financial objectives of the group shall be to:

- Where possible provide a commercial return to shareholders
- Adopt policies that prudently manage risk and protect the investment of shareholders

The environmental objectives of the group shall be to:

- Operate in an environmentally responsible and sustainable manner
- Minimise the impact of any of the Group's activities on the environment
- Raise awareness of environmental issues within the Group
- Encourage CentrePort and Pringle House to be more energy-efficient and make greater use of renewable energy

The social objectives of the group are to:

- Be a leading organisation and superior employer
- Provide a safe and healthy workplace
- Participate in cultural and community activities within the regions in which the Group operates
- Help sustain the economy of the region

The WRC Holdings Group met all its objectives as set out in the 2007/08 SOI and Greater Wellington's 2006-2016 Long-Term Council Community Plan (LTCCP).

The nature and scope of activities undertaken by WRC Holdings are consistent with those set out in the 2007/08 SOI and Greater Wellington's LTCCP.

Directors

Fran Wilde (Chair)
Anne Blackburn
Peter Blades

Ian Buchanan
John Burke
Peter Glensor



Financial performance targets

	Actual 2008	Target 2008
Net profit before tax	\$8.3m	\$4.9m
Net profit after tax	\$3.2m	\$1.8m
Return on total assets	4.8%	3.77%
Return on shareholder equity (excludes any change in the value of investment property)	3.4%	-0.13%
Return on shareholder equity (includes any change in the value of investment property)	1.3%	
Dividends	0.064m	0.251m

Net profit before tax

The Group posted a net profit before tax, before any increases in the value of investment property and land, of \$8.3 million compared to the budget of \$4.9 million for the year.

Net profit after tax (before deduction of minority interest)

The net profit after tax was \$3.2 million compared to the budget of \$1.8 million.

Return on total assets

This target is calculated as earnings before interest and tax (EBIT) and expressed as a percentage of average total assets.

Return on shareholder equity

Return on shareholder equity is calculated as net profit after tax (after deduction of minority interest) as a percentage of average shareholder equity (excluding minority interest). The measure is shown both before and after any increase/decrease in the value of investment properties. Average parent shareholder equity has increased due to the significant revaluation increase of assets from the prior year, but the earnings have reduced due to a revaluation reduction.

Dividends paid (or payable to the parent shareholder)

Dividend payments decreased due to increases in interest rates.



Investments WRC Holding Group

Activity: Environmental performance targets

Targets

Actual

CentrePort Ltd (CPL) to comply with AS/NZS 14000: Environmental Management Standards.

Achieved. CPL has established environmental management systems with separate formal environmental management and emergency management plans in accordance with AS/NZS ISO 14001:2004. The Health, Safety and Environment Board Committee reviews CPL's environment performance regularly.

CentrePort Ltd to comply with its Port Noise Management Plan.

No noise monitoring was undertaken during the 2007/08 year. The completion of the CentrePort Port Noise Management Plan has been delayed due to the need to incorporate the recent changes to the Wellington City District Plan and the Regional Coastal Plan on Port Noise. The final form of the CentrePort Port Noise Management Plan, including the monitoring criteria, is required to be agreed through consultation with the councils. This is currently being worked on – the timeframe for completion is by the first half of 2008/09.

Maintain an environment issues register of environmental complaints for monitoring and actioning purposes. The register to be reported to CPL's Health, Safety and Environmental Committee on a regular basis (meets at least three times per annum).

Achieved. The register of environment complaints is maintained and all complaints, including follow up action, were reported to the CPL's Health, Safety and Environmental Committee. The Committee met three times during the year.

The Group to comply with all conditions under resource consents and permits held, and fully adhere to the requirements of environmental law generally.

Achieved. All consents and permits have been compiled with partial achievement.

CPL will hold a minimum of three Environmental Consultative Committee meetings in 2007/08 comprising CPL and effected stakeholders (customers, port users, local authorities and residential groups). The meetings provide a forum to identify and inform on a range of environmental port related matters.

Only two Environmental Consultative Committee meetings were held in 2007/08. There were insufficient issues to justify the holding of a third meeting.



Activity: Social performance targets

Targets

Actual

<p>CentrePort (CPL) to maintain tertiary level of compliance with the ACC Workplace Safety Management Practices Programme and comply with the AS/NZS 4801: Occupational Health and Safety Management Systems.</p>	<p>Achieved. CPL currently holds a tertiary level of compliance with the ACC Workplace Safety Management Practices Programme.</p>
<p>CPL to maintain compliance with the International Ship and Port Security (ISPS) Code, which promotes security against terrorism within the port environment.</p>	<p>Achieved. AN ISPS Code Compliance audit in 2007 showed CPL is compliant.</p>
<p>CPL to undertake risk assessments and implement any mitigating procedures relating to the Port and Harbour Safety Code, which promotes safety and excellence in marine operations.</p>	<p>In 2006, CPL in conjunction with Greater Wellington conducted a risk assessment review as part of the requirements of the Port and Harbour Safety Code. CPL is progressing the assessment and implementation of recommendations from that review. The purchase of a new tug in 2007 is a key response to mitigate some of the risks identified in the review.</p>
<p>Undertake a level of sponsorship appropriate to CPL.</p>	<p>Achieved. CPL engages in a wide range of community sponsorships ranging from business groups to specific community projects and endeavours. Spending in 2007/08 amounted to \$91,000.</p>
<p>Meet regularly with representative community groups of CPL.</p>	<p>Achieved. CPL meets regularly with community working groups, such as the Environmental Consultative Committee, transport advisory bodies and chambers of commerce.</p>



166

Investments WRC Holding Group

Activity: General performance targets

Targets

The Group will, in consultation with shareholders, continue to develop performance targets in environmental and social areas.

Actual

The shareholders were consulted during the development of the 2009 Statement of Intent (SOI), and enhanced social and environmental objectives and a greater focus on sustainability were incorporated into the 2009 SOI.



Company objectives

The company's primary objectives as set out in the 2007/08 Statement of Corporate Intent (SCI) shall be to:

- Operate as a successful, sustainable and responsible business
- Be customer focused and provide superior service
- Be the industry leader in transport-logistics solutions

The financial objectives of the company shall be to:

- Provide a commercial return to shareholders
- Adopt policies that prudently manage risk and protect shareholder investment

The environmental objectives of the company shall be to:

- Operate in an environmentally responsible and sustainable manner
- Raise awareness of environmental issues within the company

The social objectives of the company shall be to:

- Be a learning organisation and superior employer.
- Provide a safe and healthy workplace
- Participate in cultural and community activities within the regions in which the company operates

Directors

NJ Gould (Chairperson)
DJ Benham
R Janes
JG Jefferies

EMM Johnson
WA Larsen
RM Peterson



Investments CentrePort

Financial performance targets

The following table lists performance against targets set in CentrePort 2007/08 Statement of Corporate Intent (SCI). Comparison against targets is provided, excluding and including revaluation gains on investment properties and financial instruments (as the SCI did not anticipate changes in asset values).

	2007/08 Actual excluding valuation changes³	2007/08 Actual including valuation changes³	2007/08 SCI target
Net profit before tax	\$11.0m	\$10.5m	\$8.5m
Net profit after tax	\$8.3	\$6.9m	\$6.7m
Return on total assets ¹			
- Port	8.2%	7.7%	6.3%
- Investment properties	2.4%	2.1%	3.1%
- Overall	5.3%	5.0%	4.9%
Return on shareholders' funds ²	4.3%	3.6%	4.1%
Dividend	\$4.8m	\$4.8m	\$4.8m
Dividend % of net profit after tax	48%	69%	72%

(1) Net profit before interest and tax as a percentage of average total assets

(2) Net profit after tax as a percentage of average shareholders' funds

(3) Valuation changes include a downward revaluation of investment property and land available for development of \$545,000

Investments Financial summary



169

	Council 2008 Actual \$000s	Council 2008 Budget \$000s
Income statement		
Operating revenue	13,717	16,665
Operating expenditure	9,130	10,745
Earnings before interest	4,587	5,920
Finance costs	(3,821)	(3,949)
Operating surplus/(deficit)	8,408	9,869
Less:		
Contribution to general rates	8,742	8,742
Earnings retained	(334)	1,127
Operating surplus of individual investments		
Liquid financial deposits	2,856	2,723
WRC Holdings	1,123	724
Treasury management	10,384	5,361
Forestry	(5,881)	1,002
Business units and property	(74)	59
Operating surplus	8,408	9,869



Statement of compliance and responsibility

Compliance

The Council and Greater Wellington Regional Council's management confirm that all the statutory requirements of the Local Government Act 2002 in relation to the Annual Report have been complied with.

Responsibility

The Council and Greater Wellington Regional Council's management accept responsibility for the preparation of the annual financial statements and judgements used in them.

The Council and Greater Wellington Regional Council's management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Greater Wellington Regional Council's management, the annual financial statements for the year ended 30 June 2008 fairly reflect the financial position and operations of the Greater Wellington Regional Council.

Fran Wilde

Chair

29 September 2008

David Benham

Chief Executive

29 September 2008

Barry Turfrey

Chief Financial Officer

29 September 2008