

GREATER WELLINGTON REGIONAL COUNCIL

Annual Plan 2016/17

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SECTION ONE - OVERVIEW

From the Chair

Greater Wellington Regional Council has made small adjustments to its planned activities and investments for 2016/17. This Annual Plan shows you what the changes are, and why we've made them.

Your regional rates in 2016/17 will go towards improved regional infrastructure in critical areas like flood protection, public transport, and water supply, along with our 'business as usual' activities such as managing our regional parks.

A key challenge we face as your Regional Council is how to balance the need for investment in things like resilient infrastructure against demands on the ratepayer.

This Annual Plan shows how we'll achieve that balance in the coming year. The adjustments made to the 10 Year Plan 2015 to 2025 are minor, but like everything GWRC does, the impact can be significant.

We build strong partnerships to achieve results across the region, and these partnerships will be crucial in 2016/17. We'll continue exploring ways to integrate our services with city and district councils, delivering efficiency and savings for ratepayers; and we'll continue to work with central government on projects such as the Ngauranga to Airport transport strategy.

We're your Regional Council, and we work for you. In developing our Annual Plan for 2016/17, we've talked to communities about what's important and what we need to focus on in the coming year.

This Annual Plan 2016/17 reflects what you told us. Thank you to everyone who is part of our work and contributes to making our great region greater.

From the Chief Executive

Greater Wellington Regional Council invests in the future of your region.

We invest to protect families, communities and businesses from the impact of floods. We invest in getting you to where you need to be, easily and on time, through the transformation of our public transport network.

We invest in improving the water quality of our precious rivers, streams, and lakes, and in protecting our environment from pests and pollution; we invest in the Regional Parks that are free for everyone to enjoy and learn about our unique plants and animals.

Whether we're out on the farm or in the laboratory, building a stopbank or consulting with mana whenua, the common purpose to all our activities is making greater Wellington even greater.

Our 10 Year Plan, published last year, sets out our priorities and planned activities from 2015 to 2025. This Annual Plan for 2016/17 sets out the changes we've made for the year ahead, in response to changing circumstances and community expectations.

At the regional level, things like changes to the Resource Management Act and decisions about local government amalgamation have influenced our plans. We're also responding to wider issues like climate change and the rapid development of new technologies. In some instances our communities have told us directly where they want to see faster progress, such as in our work to improve water quality.

The changes set out in this Annual Plan 2016/17 respond to these matters and help ensure we stay focused on the areas that will make the most difference to our communities in the short and longer term. Our work affects the lives of everyone in this unique and beautiful region that we call home. We look forward to a busy, challenging and satisfying year, as we work with our many partners towards ensuring our region is safe, resilient, healthy and connected, today and for future generations.

Introduction: setting the scene

Greater Wellington Regional Council's key priorities for 2016/17 reinforce those set out in our 10 Year Plan 2015 to 2025:

- **Investing in regional infrastructure** including for bulk drinking water, flood protection, and public transport
- **Increasing the use of public transport** along with walking and cycling
- **Making sure we can cope in emergencies** such as earthquakes, tsunami, or extreme weather events
- **Keeping our environment clean** with a focus on water quality, air quality, land use and pests.

Since we adopted our 10 Year Plan in June 2015, there have been changes in our operating environment that will influence how we work in the coming year. These changes are summarised below.

Changing legislative framework

In late 2015 the Government announced proposed reforms to the Resource Management Act, focused on integrating and improving its processes. Submissions closed in March 2016, and we expect the resulting changes will influence how we administer the Act through consenting and planning.

Our work to implement the National Policy Statement for Freshwater by 2025 includes establishing Whaitua (catchment committees) in five catchments across the region. We're aware of high community expectations of Whaitua, including concerns that things might not be moving fast enough. We need to continue to work through these issues with our communities.

In June 2016 the Government released the Local Government Act 2002 Amendment Bill, which sets out new processes for local government reform, this will impact on the local government reform processes that the Local Government Commission are managing in our region and could also allow other reform proposals to come forward that impact on our structure, work programmes and funding.

Local government reform

In June 2015 the Local Government Commission decided not to proceed with its draft Proposals for Reorganisation of Local Government in Wellington. GWRC is now working with the Commission and with other councils around the region to develop alternative options.

We're looking at areas where there may be benefits from bringing services or functions together, including transport, spatial planning and water. With the territorial authorities, we're also looking at options for the governance of the Wairarapa. The outcome could have a significant impact on our activities and funding.

Staying informed

As global awareness of and knowledge about climate change increases, we are constantly building our understanding of its impacts, ways to mitigate these impacts, and adapt to change. Our Climate Change Strategy was launched in September 2015, and articulates a vision for GWRC to:

“strengthen the long-term resilience and sustainability of the Wellington region through climate change action and awareness.”

The Strategy is now being implemented, and may result in change to the way we do business in some areas.

More information is also becoming available around community expectations of the resilience of the region's water supply following a following a major natural event. Wellington Water is carrying out a work programme in this area. While no changes are indicated at this point, it will likely result in revised investment plans for councils around the region in their next 10 Year Plans (2018-28.)

We're working closely with affected communities in building our understanding of flood risks across the region, and resulting impacts and options. As we work through this process we've realised that we underestimated the time required to carry out effective community engagement, and timelines have been adjusted to reflect this.

Keeping pace with new technology

Technology innovations affect many aspects of our work. For example, the prevalence of flying unmanned aerial vehicles (drones) and increasingly powerful e-bikes result in more people taking part in new recreation activities in regional parks. Sometimes the effects of very new activities may be unforeseen. Balancing the interests of a wide range of users becomes a significant challenge that requires good judgement, positive relationships with stakeholders, and providing good information.

Greater Wellington Regional Council (GWRC) adopted its 10 Year Plan 2015-2025 in June 2015. The 2014 amendments to the Local Government Act also require us to prepare and adopt an annual plan for each financial year. The purpose of the annual plan is to:

- a) contain the proposed annual budget and funding impact statement for the year*
- b) identify any variation from the financial statements and funding impact statement in our 10 Year Plan*
- c) provide integrated decision making and co-ordination of our resources*

d) contribute to our accountability to our community.

As a result of the annual business planning process, GWRC has made several minor changes to Year 2 of the 10 Year Plan 2015-25. This Plan sets out those changes. All other content of 10 Year Plan 2015-25 remains valid for the 2016/17 year.

Please refer to <http://www.gw.govt.nz/long-term-plan-2015-25/> to view the 10 Year Plan 2015-25, including purpose, community outcomes, and all unchanged activities for the 2016/17 financial year.

Summary of changes for 2016/17

Rates

We projected a 10.8% rates increase in our 10 Year Plan 2015-25. However, following a review of our activities and taking into account all changes, the final rate increase will be 7.9%. This reduction is driven by cost containment, timing on projects, and lower interest rates.

Regional Leadership

In the 2016/17 Annual Plan, GWRC has:

- added a new Regional Transport Programme: 'Ngauranga to Airport', a joint project with Wellington City Council and New Zealand Transport Agency
- reprioritised the Water Wairarapa Project, enabling us to do more pre-feasibility work
- deferred development of a Wellington Region Spatial Plan. The Local Government Commission is considering regional spatial planning as part of its consideration of local government in the region.

Public Transport

In the 2016/17 Annual Plan, GWRC has:

- allocated an additional \$100,000 for bus service improvements
- allocated an additional \$1.0 million for the planned Wellington City Bus network, as the timeframe for implementation has been extended
- kept bus, train, and ferry fares at their current level
- increased rail operations and asset management costs in preparation for the start of the new rail contract with TransDev Australasia
- increased budgeted expenditure to prepare for our new bus contracts planned for 2018
- decreased capital expenditure for the new Matangi trains, due to delays to delivery and timing of payments
- deferred planned capital expenditure on a fully integrated fares and ticketing system as we develop an interim solution for the region.

Water supply

In the 2016/17 Annual Plan, GWRC has:

- deferred proposed well replacement work, following successful redevelopment of two of the Waterloo bores
- included detailed design in the Wainuiomata pipeline programme so replacement can start in 2017/18 as planned.

Environment

In the 2016/17 Annual Plan, GWRC has:

- budgeted an additional \$1.2 million for progressing the Natural Resources Plan, including hearings before independent commissioners in 2016/17

- allowed for an additional capital investment of \$1.86 million for the Collaborative Modelling Project to help meet community expectations in this area
- increased performance targets for the Wellington Regional Erosion Control Initiative following a funding increase from the Ministry of Primary Industries
- allocated up to \$80,000 to contribute towards a jumping platform at Paremata, for increased safety of people on and off the water.

Flood management

In the 2016/17 Annual Plan, GWRC has:

- extended consultation on the development of Flood Management Plans for Waiohine and Te Kauru, with a flow-on effect to timing for the recommencement of the Waiwhetu Flood Management Plan
- agreed to continue support for environmental enhancement work undertaken by Friends of the Otaki River
- provided additional expenditure of \$10.2m for the Hutt River City Centre Project, allowing more landowners to sell potentially affected properties to GWRC.

Parks

In the 2016/17 Annual Plan, GWRC has:

- removed the Whitireia Park Plan from 2016/17 performance targets, because the Plan was completed in 2015/16
- extended the Parks Network Plan (PNP) review as the PNP is not required to be revised until 2012
- added two key projects (fencing and flush toilets) to visitor services for the comfort and amenity of visitors.

Other activities

Other activities we're undertaking in 2016/17 include: bringing electric vehicles into the GWRC fleet, and developing levels of service for drinking water supply following a major natural event.

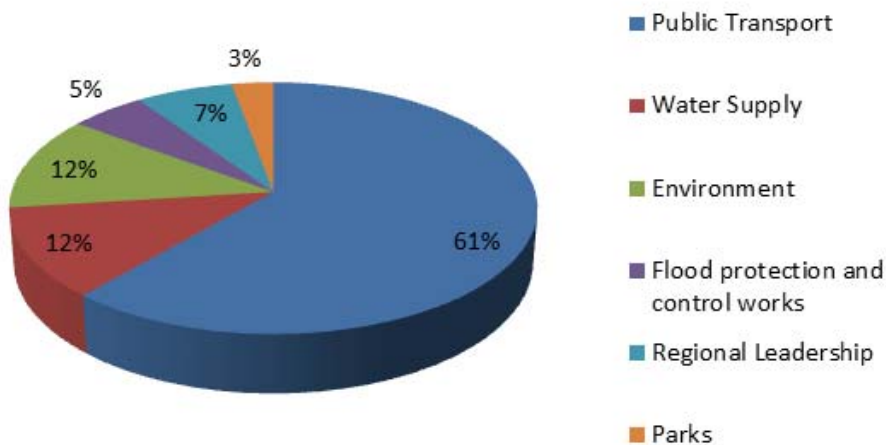
Our finances

10 Year Plan: Section Seven, p221

The goal of our financial strategy is to ensure we deliver good value for ratepayer's money by delivering the right services at the best cost. We aim to provide high-quality, affordable services, to maintain debt at manageable levels, and keep rates increases as low as possible.

Our 10 Year Plan 2015-25 sets out our financial strategy's principles and approach, operating and capital expenditure, and revenue.

So where do your rates go? For every dollar spend



RATES AND LEVIES - REGION-WIDE RATES WHAT IS THE IMPACT ON YOUR CITY OR DISTRICT?

Residential Property - including GST	Average Capital Value	Average Increase per year	Average Increase per week	Average Rates per year	Average rates per week
Wellington city	\$550,000	\$26	\$0.50	\$462	\$8.88
Lower Hutt city	\$378,000	\$46	\$0.88	\$554	\$10.65
Upper Hutt city	\$343,000	\$27	\$0.52	\$475	\$9.13
Porirua city	\$394,000	\$46	\$0.88	\$523	\$10.06
Kapiti Coast district	\$388,000	\$19	\$0.37	\$372	\$7.15
Masterton district	\$251,000	\$10	\$0.19	\$159	\$3.06
Carterton district	\$258,000	\$0	\$0.00	\$192	\$3.69
South Wairarapa district	\$277,000	\$18	\$0.35	\$216	\$4.15

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

Rural Property - excluding GST	Average Capital Value	Average Increase per year	Average Increase per week	Average Rates per year	Average rates per week
Wellington city	\$729,000	\$7	\$0.13	\$372	\$7.15
Lower Hutt city	\$568,000	\$31	\$0.60	\$462	\$8.88
Upper Hutt city	\$600,000	\$22	\$0.42	\$414	\$7.96
Porirua city	\$874,000	\$29	\$0.56	\$524	\$10.08
Kapiti Coast district	\$596,000	\$12	\$0.23	\$369	\$7.10
Masterton district	\$602,000	\$18	\$0.35	\$278	\$5.35
Carterton district	\$724,000	\$20	\$0.38	\$358	\$6.88
South Wairarapa district	\$804,000	\$43	\$0.83	\$388	\$7.46
Tararua	\$567,000	\$41	\$0.79	\$263	\$5.06

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

Business Property - excluding GST	Average Capital Value	Average Increase per year	Average Increase per week	Average Rates per year	Average rates per week
Wellington city	\$1,970,000	\$143	\$2.75	\$1,643	\$31.60
Wellington city - CBD	\$2,212,000	\$641	\$12.33	\$7,935	\$152.60
Lower Hutt city	\$1,415,000	\$137	\$2.63	\$1,917	\$36.87
Upper Hutt city	\$1,485,000	\$110	\$2.12	\$1,880	\$36.15
Porirua city	\$1,200,000	\$110	\$2.12	\$1,482	\$28.50
Kapiti Coast district	\$916,000	\$19	\$0.37	\$827	\$15.90
Masterton district	\$696,000	\$25	\$0.48	\$420	\$8.08
Carterton district	\$453,000	\$1	\$0.02	\$318	\$6.12
South Wairarapa district	\$587,000	\$35	\$0.67	\$432	\$8.31

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

Notes:

Rates for Greater Wellington are mostly allocated to ratepayers on the basis of their capital values. The territorial local authorities undertake valuations in different years. To ensure properties are valued on the same basis in each territorial area, Greater Wellington undertakes an equalised capital value (ECV) calculation to ensure fair

This information should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy contained within the 2015/25 long term plan available at www.gw.govt.nz

SECTION TWO – ACTIVITIES OF THE GREATER WELLINGTON REGIONAL COUNCIL

10 Year Plan: Section Five, p93

The GWRC 10 Year Plan 2015-25 provides a full set of projects, programmes, performance measures and targets for each Activity Group.

The content of this section includes only those projects, programmes, performance measures or targets where there are changes to that adopted in the 10 Year Plan 2015-25 for Year 2 – the 2016/17 year.

Regional Leadership

10 Year Plan: Section Five, p95

GWRC coordinates regional leadership activities with other local authorities on economic development, transport, and civil defence and emergency management.

We involve mana whenua and the community in our decision making, and lead regional initiatives that provide significant benefits to the regional community.

Strong economy, resilient, connected and engaged communities, healthy environment

We have seven activity areas under Regional Leadership: Relationships with Maori; Wellington Regional Strategy; Regional Transport Planning and Programmes; Climate Change Planning and Activities; Regional Initiatives; Emergency Management; and Democratic Services.

Challenges for 2016/17

Local government structure

One of our key challenges is uncertainty about the future structure of local government in the Wellington region.

In June 2015 the Local Government Commission decided not to proceed with its draft Proposal for Reorganisation of Local Government in Wellington. We're now working with the Commission and with other councils across the region to look at areas where there may be benefits from bringing services or functions together.

A number of workstreams are progressing, including investigations into Wairarapa governance, transport, spatial planning, water and economic development. While the outcome of this process is not yet certain, any change could have a significant impact on the services we deliver under regional transport planning and programmes.

Climate Change Strategy

GWRC is now implementing the Climate Change Strategy approved by GWRC in September 2015.

We have a growing understanding of the impacts of climate change and how we can mitigate those impacts. Our Climate Change Strategy is a non-statutory document that complements other statutory documents such as the proposed Natural Resources Plan, Regional Policy Statement, Long Term Plan 2015-25 and Regional Land Transport Plan.

While it takes a long term view, the Climate Change Strategy also includes short-term actions. It articulates a vision for GWRC to:

“strengthen the long-term resilience and sustainability of the Wellington region through climate change action and awareness.”

What's changing in 2016/17

In the 2016/17 Annual Plan, GWRC has:

- added a new Ngauranga to Airport Programme
- reprioritised the Wairarapa Water Use Project
- deferred development of a Wellington Region Spatial Plan.

Regional Transport Planning and Programmes	Impact
<p>The programme 'Ngauranga to Airport' has been added to the key programmes under Regional Transport Planning and Programmes.</p> <p>This is part of the work on a future Bus Rapid Transit system in Wellington.</p> <p>The programme is jointly funded and managed with Wellington City Council and the NZ Transport Agency, and will provide a strategic approach to key transport projects within Wellington City.</p>	<p>Funding is drawn from existing sources with no impact on rates.</p>
Regional Initiatives	Impact
<p>Investigations for the Water Wairarapa Project have been reprioritised due to increased work in pre-feasibility to identify possible sites.</p>	<p>We have adjusted targets to reflect this.</p>
<p>The project to develop a Wellington Region Spatial Plan is on hold pending the outcome of the Local Government Commission's investigations into Spatial Planning in the Wellington region.</p>	<p>A delay in regional spatial planning work will not have a direct impact on any other projects or programmes in their current form. The funding for this project has been reduced by \$100,000.</p>

In the climate change planning and activities area, GWRC is investigating options to replace our existing car fleet with electric vehicles. We're also working with Wellington City Council, other councils and stakeholders to investigate how we could put in place a network of fast charging stations for electric vehicles in the Wellington region. Through these initiatives GWRC will demonstrate leadership and help encourage the uptake of electric vehicles in the Wellington Region.

As part of our regional leadership activities, we are applying to join the Local Government Excellence Programme this year as a foundation council. This Programme is designed to improve the public's knowledge of the work councils are doing in their communities and to support individual councils to further improve the value they provide.

**REGIONAL LEADERSHIP
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	6,983	7,903
Targeted rates	7,857	8,820
Subsidies and grants for operating purposes	1,868	1,621
Fees, charges, and targeted rates for water supply	18	3
Fines, infringement fees, and other receipts ¹	2,146	1,936
Total operating funding	18,872	20,283
Applications of operating funding		
Payments to staff and suppliers	18,037	18,524
Finance costs	978	1,257
Internal charges and overheads applied	667	334
Total applications of operating funding	19,682	20,115
Surplus/(deficit) of operating funding	(810)	168
Sources of capital funding		
Subsidies and grants for capital expenditure	179	183
Increase / (decrease) in debt	2,515	(1,365)
Gross proceeds from asset sales	31	78
Total sources of capital funding	2,725	(1,104)
Applications of capital funding		
- to meet additional demand	-	-
- to improve the level of service	-	-
- to replace existing assets	762	2,321
Increase / (decrease) in investments	1,565	(2,821)
Increase / (decrease) in reserves	(412)	(436)
Total applications of capital funding	1,915	(936)
Surplus/(deficit) of funding	-	-
Depreciation on Regional Leadership assets	355	515

¹ This includes revenue from the territorial authorities to fund the amalgamated regional emergency management group

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

**REGIONAL LEADERSHIP
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Operating funding		
Wellington Regional Strategy	4,778	4,840
Emergency Management	3,364	3,573
Democratic Services	2,144	2,253
Relationships with mana whenua	899	952
Regional transport planning and programmes	3,288	3,232
Regional initiatives ¹	4,369	5,402
Climate change planning and activities	30	31
Total operating funding	18,872	20,283
Applications of operating funding		
Wellington Regional Strategy	4,767	4,826
Emergency Management	3,299	3,380
Democratic Services	2,409	2,383
Relationships with mana whenua	898	921
Regional transport planning and programmes	3,201	3,291
Regional initiatives ¹	5,078	5,283
Climate change planning and activities	30	31
Total applications of operating funding	19,682	20,115
Capital expenditure		
Capital project expenditure	650	1,995
Land and buildings	-	-
Plant and equipment	14	63
Vehicles	98	263
Total capital expenditure	762	2,321

¹ Regional initiatives includes the rates and expenditure associated with the Warm Greater Wellington Program. Only ratepayers participating in the scheme are charge a rate to recover the costs of the scheme.

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For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

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Public Transport

10 Year Plan: Section Five, p119

Affordable public transport benefits communities and the environment. Encouraging people out of private cars and onto buses and trains requires a world-class public transport system that's easy to use, has frequent and reliable services that provide value for money, and modern facilities and systems.

GWRC manages and funds public transport services across Wellington region, including trains, buses and the harbour ferry. Our goal is to increase public transport use across Wellington region.

Strong economy, connected communities, healthy environment

We have five activity areas in Public Transport: Metlink public transport network planning; Bus and ferry operations and asset management; Rail operations and asset management; Total Mobility; Metlink fares and ticketing, customer services and satisfaction.

Challenges in 2016/17

Developing integrated fares and ticketing

We're working closely with the NZ Transport Agency and other regions to develop an integrated fare and ticketing system across all Metlink public transport modes. Work ahead includes:

- deciding on the best solution at a time when technology is frequently changing and opening up new ticketing opportunities
- establishing how to get the best value for money from both a regional and national perspective
- making sure the new system meets the ticketing requirements for the new Wellington bus network to be introduced from 2018
- planning how to transition from the current fares and products to the new fare structure and products outlined in the Regional Public Transport Plan.

Because of a delay in confirming a national approach to integrated ticketing that is in line with our planned timeframe, we're developing an interim solution for the Wellington region.

Preparing for new bus contracts

In preparation for the new performance-based bus contracts that are expected to commence in mid-2018, we will be working on tendering for new bus contracts, negotiating with incumbent operators for the units they'll continue to operate, and transforming our processes and systems so we're ready for the new contracts.

Ensuring continued improvements in rail

Our contract with new rail operator TransDev Australasia starts on 3 July 2016. TransDev has announced a number of forthcoming improvements to rail performance across the Wellington region, and our role is to ensure improvements continue to the benefit of passengers.

Additional activities in 2016/17

- Additional expenditure of \$100,000 has been allocated for bus service improvements. Our service reviews aim to introduce service reliability improvements on a cost neutral basis, however, requirements for additional peak vehicles mean that we can't always achieve this.

Cost changes in 2016/17

Better information on the cost of our services has resulted in changes to 2016/17 budgeted expenditure. None of these changes reflect a change in service levels.

- Rail operations and asset management costs have been increased to reflect changes in expected fare revenue and adjustments associated with the new contract with TransDev Australasia.
- Delays to delivery and timing of payments for the new Matangi trains has reduced capital expenditure and reduced associated debt servicing costs.
- The planned capital expenditure on the full integrated fares and ticketing system has been moved out to subsequent years, as this work is now expected to commence in 2017/18. An interim ticketing system solution on bus services is now planned while we continue to work with the NZ Transport Agency on a full electronic solution for integrated fares and ticketing.
- Detailed planning for the implementation of the new Wellington City bus network has increased the planned expenditure for this project.
- An increase in the budgeted expenditure required to prepare for our new bus contracts, which are expected to commence in the middle of 2018.
- An increase in the work required to transform how we deliver public transport services.
- Low inflation, low fuel costs, and increasing use of public transport have all enabled us to keep fares at their current level for 2016/17.

Overall Public Transport rates are at similar levels to those projected in the 10 Year Plan 2015-25. Reserve funding has been used to offset the short term rates impact of the transformation programme costs and to smooth rail transition costs.

**PUBLIC TRANSPORT
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	-	-
Targeted rate	59,939	61,050
Subsidies and grants for operating purposes	78,670	73,576
Fees, charges, and targeted rates for water supply	48,312	49,326
Fines, infringement fees, and other receipts ¹	1,862	2,238
Total operating funding	188,783	186,190
Applications of operating funding		
Payments to staff and suppliers	164,539	155,940
Finance costs	12,584	15,275
Internal charges and overheads applied	5,081	3,904
Total applications of operating funding	182,204	175,119
Net surplus/(deficit) of operating funding	6,579	11,071
Sources of capital funding		
Subsidies and grants for capital expenditure	1,839	10,443
Increase / (decrease) in debt ²	16,196	6,241
Gross proceeds from asset sales	-	-
Total sources of capital funding	18,035	16,684
Applications of Capital Funding		
Capital expenditure		
- to meet additional demand	-	-
- to improve the level of service	1,680	19,495
- to replace existing assets	1,925	982
Increase / (decrease) in investments ²	28,034	10,002
Increase / (decrease) in reserves	(7,025)	(2,724)
Total applications of capital funding	24,614	27,755
Surplus/(deficit) of funding	-	-
Depreciation on Public Transport assets	1,440	1,809

¹ This includes revenue from Greater Wellington Rail Limited for services provided to manage the rail assets

² Greater Wellington Regional Council (GWRC) fully funds some public transport improvement expenditure at the time the expense is incurred, and recovers a share of the debt servicing costs from the New Zealand Transport Agency. Where this expenditure is for rail rolling stock and infrastructure that will be owned by the 100% council subsidiary Greater Wellington Rail Limited it is treated as an investment in this subsidiary.

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

**PUBLIC TRANSPORT
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Operating funding		
Mtlink public transport network planning	1,993	2,918
Rail operations and asset management	120,968	121,109
Bus and ferry operations and asset management	55,758	54,668
Mtlink fares and ticketing, and customer services and information	7,199	4,594
Total mobility	2,865	2,901
Total operating funding	188,783	186,190
Applications of operating funding		
Mtlink public transport network planning	1,993	2,918
Rail operations and asset management	108,725	109,461
Bus and ferry operations and asset management	61,971	56,062
Mtlink fares and ticketing, and customer services and information	6,662	3,789
Total mobility	2,853	2,889
Total applications of operating funding (excluding improvements)	182,204	175,119
Net surplus/(deficit) of operating funding	6,579	11,071
Investments in Greater Wellington Rail Limited ¹		
Rail operations and asset management	28,034	10,002
Total investment expenditure	28,034	10,002
Capital expenditure		
New public transport shelters, signage, pedestrian facilities, land and systems	3,605	20,477
Total capital project expenditure	3,605	20,477
Vehicles	-	-
Total capital expenditure	3,605	20,477
Total Investment in Public Transport Infrastructure	31,639	31,367

¹ Greater Wellington Regional Council (GWRC) fully funds some public transport improvement expenditure at the time the expense is incurred, and recovers a share of the debt servicing costs from the New Zealand Transport Agency. Where this expenditure is for rail rolling stock and infrastructure that will be owned by the 100% council subsidiary Greater Wellington Rail Limited it is treated as an investment in this subsidiary.

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Water Supply

10 Year Plan, Section Five, p139

Water supply is an essential service, vital to our health, quality of life and economic prosperity. Our water supply network is a critical “lifeline” infrastructure, and we must be able to reinstate supply quickly following a natural hazard event.

Greater Wellington provides (through Wellington Water) bulk water across the four main cities in the region and provides the infrastructure to ensure our regional water supply can withstand a natural disaster such as an earthquake.

We have three activity areas in Water Supply: Water quality, Water availability, and Water sustainability.

Strong economy, resilient community, healthy environment

Challenges in 2016/17

Water Supply Resilience

The Wellington region’s infrastructure is vulnerable to natural hazards, including earthquakes, tsunami, major storms, floods and landslips. Current research indicates there is about a one-in-ten chance that movement of the Wellington Fault could result in a magnitude 7.5 earthquake in the next 100 years.

An earthquake this size would severely damage our major water supply pipelines, and in some parts of the region fixing these pipes is expected to take up to 70 days. Only after major bulk supply lines to reservoirs are fixed can repairs start on all the other pipes that supply water to homes and businesses.

For several years our focus has been on reducing the time that people are without water following a major event. We continue to strengthen bulk water infrastructure to reduce the risk of damage and seek ways to reduce repair times if damage occurs.

Growth, Demand and Conservation

Historically, a growing population and rising water use have been drivers for expanding the supply capability of our infrastructure. In recent years, we’ve seen an emerging trend of lower use, despite continuing population growth.

Based on our latest modelling information, we won’t need a new water source to until after 2036. However, we’re determined to reinforce the trend of more efficient and conservative use of water, and will continue to support our region’s cities to further that goal. Continuing to lower our water use and deferring extra water storage till after 2036 could save ratepayers millions of dollars every year.

Climate change may also impact on water supply in future, with predictions of extended dry periods affecting security of supply and extreme weather events affecting water supply assets.

What's changing in 2016/17

In the 2016/17 Annual Plan, GWRC has:

- deferred proposed well replacement work planned for this year
- included detailed design in the Wainuiomata pipeline programme.

Change	Impact
Waterloo Wells Redevelopment of two of the Waterloo bores was carried out late in 2015. The redevelopment work has been successful and allows deferral of proposed well replacement work planned for 2016/17.	Further investigations into well replacement options will take place in subsequent years. The proposal is to carry out preparatory design work in 2016/17 and replace two wells in 2017/18.
Wainuiomata pipeline Inclusion of 'detailed design' in the 2016/17 programme	Preparatory work to enable replacement to commence in 2017/18 as planned.

In addition, Wellington Water is investigating the potential development of levels of service for the supply of drinking water following a major event. While this has not affected the Annual Plan 2016/17, the outcomes of this work may lead to changes in the level of investment proposed for future years.

**WATER SUPPLY
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	-	-
Targeted rate	-	-
Subsidies and grants for operating purposes	-	-
Fees, charges, and targeted rates for water supply	-	-
Fines, infringement fees, and other receipts ¹	30,117	30,968
Total operating funding	30,117	30,968
Applications of operating funding		
Payments to staff and suppliers	21,016	19,070
Finance costs	3,911	4,457
Internal charges and overheads applied	1,259	1,441
Total applications of operating funding	26,186	24,968
Surplus/(deficit) of operating funding	3,931	6,000
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	2,841	3,123
Gross proceeds from asset sales	-	-
Total sources of capital funding	2,841	3,123
Applications of capital funding		
Capital expenditure		
- to meet additional demand	50	-
- to improve the level of service	1,745	3,499
- to replace existing assets	2,225	2,629
Increase / (decrease) in investments	2,753	2,995
Increase / (decrease) in reserves	(1)	-
Total applications of capital funding	6,772	9,123
Surplus/(deficit) of funding	-	-
¹ This includes the Water supply levy charged to Wellington, Hutt, Lower Hutt and Porirua city councils		
Water supply levy	29,098	29,468
Depreciation on Water Supply assets	10,677	11,281

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

**WATER SUPPLY
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Operating funding		
Water Supply	30,117	30,968
Total operating funding	30,117	30,968
Applications of operating funding		
Water Supply	26,186	24,968
Total applications of operating funding	26,186	24,968
Capital expenditure		
Water sources	220	225
Water treatment plants	1,220	1,248
Pipelines	1,055	1,079
Pump stations	40	41
Reservoirs	-	-
Monitoring and control	350	358
Seismic protection	-	-
Other	1,080	3,120
Capital project expenditure	3,965	6,071
Land and buildings	-	-
Plant and equipment	55	57
Vehicles	-	-
Total capital expenditure	4,020	6,128

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations
For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue
All figures on this page exclude GST

Environment

10 Year Plan, Section Five, p123

GWRC works with communities and with our partners to restore and enhance water quality across our region, encourage sustainable land use, and manage environmental threats like pest plants and animals.

We have five activity areas in Environment: Resource, Pest, Land, Harbour, and Biodiversity management.

Healthy environment, strong economy, engaged community

Challenges in 2016/17

Proposed RMA reforms

In late 2015 the Government announced proposed reforms to the Resource Management Act, focused on integrating and improving its processes. Submissions closed in March 2016, and we expect the resulting changes will influence how we administer the Act through consenting and planning.

Working with communities on water quality

Understanding how our catchments work is vital to making well-informed decisions about water quality. To that end, we're continuing to invest heavily in collaborative modelling and in Whaitua (catchment committees) in our five catchments.

Collaborative modelling supports Whaitua by providing scientific, cultural and community knowledge, data, and information to better understand the impacts and consequences of changes in land and water management. The information will be used by the Whaitua in setting aims and limits on what can be taken or discharged into waterways, based on community values.

We realise there is a strong community expectation around these processes, along with some concern that things might not be moving fast enough. We will continue to work through these issues with communities.

What's changing in 2016/17

In the 2016/17 Annual Plan, GWRC has:

- budgeted additional expenditure for progressing the Natural Resources Plan
- allowed for an additional capital investment of \$1.86 million for the Collaborative Modelling Project
- increased performance targets for the Wellington Regional Erosion Control Initiative
- allocated funding to contribute towards a jumping platform at Paremata.

Resource Management	Impact
An additional \$1.2m of expenditure for progressing the Natural Resources Plan for the Wellington Region, including independent commissioners to sit on hearings. The Plan sets rules and guidance on water quality and quantity, air, soil and coastal management.	This results in additional rates requirement of \$82,000 in 2016/17.
An additional capital investment of \$1.86m for the Collaborative Modelling Project. This project supports the Whaitua (catchment) programme by providing scientific based information to better understand the possible impacts and consequences of changes in land and water management.	The additional cost of debt-funding in 2016/17 is \$93,800, which will be primarily funded through increased revenue.
Land management	Impact
Increased funding provided by the Ministry for Primary Industries for the Wellington Regional Erosion Control Initiative has resulted in more planned planting of erosion prone hill-country in the Ruamāhanga Whaitua and therefore an increase in the performance targets for erosion prone hill-country land covered by an active Farm Plan (increased target from 78% to 79% for 2016/17, and from 79% to 80% for 2017/18).	More landowners engaged in work programmes that reduce the amount of sediment reaching waterways.
Harbour management	Impact
A contribution of \$80,000 has been set aside to help fund a jumping platform at Paremata. This is dependent on equal contributions from other parties and a suitable design being agreed to.	The additional cost will be managed within current funding.

**ENVIRONMENT
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	26,211	26,378
Targeted rate	484	578
Subsidies and grants for operating purposes	293	-
Fees, charges, and targeted rates for water supply	4,133	4,243
Fines, infringement fees, and other receipts ¹	3,964	4,088
Total operating funding	35,085	35,287
Applications of operating funding		
Payments to staff and suppliers	32,620	33,326
Finance costs	156	124
Internal charges and overheads applied	2,734	1,793
Total applications of operating funding	35,510	35,243
Surplus/(deficit) of operating funding	(425)	44
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	2,902	1,107
Gross proceeds from asset sales	333	89
Total sources of capital funding	3,235	1,196
Applications of capital funding		
Capital expenditure		
- to meet additional demand	-	-
- to improve the level of service	1,939	-
- to replace existing assets	1,273	1,104
Increase / (decrease) in investments	-	-
Increase / (decrease) in reserves	(402)	136
Total applications of capital funding	2,810	1,240
Surplus/(deficit) of funding	-	-
Depreciation on Environment assets	695	620

¹ This includes revenue from the TB Free New Zealand, sales of trees and rental income

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

**ENVIRONMENT
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 Plan \$000s
Operating funding		
Resource management	17,237	16,972
Land management	5,480	6,005
Biodiversity management	4,648	4,490
Pest management	5,535	5,575
Harbour management	2,185	2,245
Total operating funding	35,085	35,287
Applications of operating funding		
Resource management	17,713	17,438
Land management	5,474	5,795
Biodiversity management	4,731	4,444
Pest management	5,606	5,512
Harbour management	1,986	2,054
Total applications of operating funding	35,510	35,243
Capital expenditure		
Environment projects	2,180	205
Capital project expenditure	2,180	205
Land and buildings	-	-
Plant and equipment	531	544
Vehicles	501	355
Total capital expenditure	3,212	1,104

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

Flood protection and control works

10 Year Plan, Section Five, p178

Flooding is one of the Wellington region's greatest hazards. GWRC works to reduce the risk of flooding in our region, now and in the future. We inform communities about flood risks and consequences, maintain existing flood protection works and plan and construct new flood protection works needed in our communities.

Resilient and engaged communities, strong economy, healthy environment

We have two activity areas in Flood protection and control works: Understanding flood risk; Maintaining flood protection and control works; Improving flood security.

Challenges in 2016/17

Understanding flood risks

GWRC is committed to providing and maintaining flood protection to existing communities. The levels of service are set through the Flood Management Plan process, in consultation with the community.

A key challenge in this work is ensuring there is a clear understanding of flood risks in the region. We're working closely with affected communities but this engagement has taken longer than anticipated, resulting in delays in completing key floodplain management plans.

Hutt River City Centre project

Another challenge will be progressing to the next phase of preliminary design of the Hutt River City Centre project. Affected land owners in this area are considering their future options, and the community is seeking more detail on the preferred option. We anticipate that some landowners may seek to sell potentially affected properties to the Council in 2016/17.

Changing river systems

While we have no plans to decrease the levels of service set in Flood Management Plans, we know that rivers are dynamic systems and continually change over time. A build-up of gravel and sediment in the lower reaches of river systems will present a particularly difficult issue to resolve as river systems lose capacity. Climate change will also impact on the ability of GWRC to meet these levels of service in the long term. In some circumstances managed retreat may be the most appropriate response.

Changes for 2016/17

In the 2016/17 Annual Plan, GWRC has:

- extended consultation on the development of Flood Management Plans for Waiohine and Te Kauru
- delayed recommencement of the Waiwhetu Flood Management Plan
- agreed to continue support for environmental enhancement work undertaken by Friends of the Otaki River
- brought forward expenditure of \$10.2m for the Hutt River City Centre Project.

Understanding flood risk	Impact
Extended consultation with communities affected by the development of Floodplain Management Plans (FMPs) for Waiohine and Te Kāuru has resulted in delays of up to 12 months to completion of these Plans.	Deferral of capital expenditure from 2016/17 into 2017/18, and potential delay in commencing the implementation of the outcomes of the plans.
The recommencement of the Waiwhetu FMP has been delayed by up to 12 months as a result of the delays in the completion of other FMPs in the region.	Deferral of capital expenditure from 2016/17 into 2017/18. The existing level of service is being maintained so the material impact is low, but the risk remains and will increase with time.
Increased support to Friends of the Otaki River for environmental enhancement work along the Otaki River.	The financial impact of funding this initiative is minimal.
Improving flood security	Impact
Capital expenditure of \$10.2m has been brought forward from 2020-2023 into 2016/17 to purchase property from landowners affected by the Hutt River City Centre project.	Minor financial impact as additional rental revenues offset increased debt-funding costs.

**FLOOD PROTECTION AND CONTROL WORKS
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	10,171	10,210
Targeted rates	7,005	7,293
Subsidies and grants for operating purposes	-	-
Fees, charges, and targeted rates for water supply	-	-
Fines, infringement fees, and other receipts ¹	2,517	2,131
Total operating funding	19,693	19,634
Applications of operating funding		
Payments to staff and suppliers	9,265	9,519
Finance costs	3,732	4,147
Internal charges and overheads applied	1,752	1,047
Total applications of operating funding	14,749	14,713
Surplus/(deficit) of operating funding	4,944	4,921
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	17,168	8,810
Gross proceeds from asset sales	93	95
Total sources of capital funding	17,261	8,905
Applications of capital funding		
Capital expenditure		
- to meet additional demand	-	-
- to improve the level of service	21,051	12,449
- to replace existing assets	282	288
Increase / (decrease) in investments	340	459
Increase / (decrease) in reserves	532	630
Total applications of capital funding	22,205	13,826
Surplus/(deficit) of funding	-	-
Depreciation on assets	939	952

¹ This includes revenue from the sales of shingle, rental income and direct contributions from territorial authorities for flood protection work

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations
For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue
All figures on this page exclude GST

**FLOOD PROTECTION AND CONTROL WORKS
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Operating funding		
Understanding flood risk	2,470	2,174
Maintaining flood protection and control works	9,578	9,863
Improving flood security	7,645	7,597
Total operating funding	19,693	19,634
Applications of operating funding		
Understanding flood risk	2,212	1,873
Maintaining flood protection and control works	8,053	8,079
Improving flood security	4,484	4,761
Total applications of operating funding	14,749	14,713
Capital expenditure		
Hutt river improvements	15,652	5,829
Otaki and Waikanae river improvements	2,445	954
Wairarapa rivers improvements	1,804	5,057
Other flood protection	1,150	609
Capital project expenditure	21,051	12,449
Land and buildings	-	-
Plant and equipment	12	12
Vehicles	270	276
Total capital expenditure	21,333	12,737

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

Parks

10 Year Plan, Section Five, p194

GWRC manages a network of regional parks and forests for the community's free use and enjoyment, including unique natural areas for recreation and conservation. We provide services and facilities for visitors and work with mana whenua and community groups to protect the environment of regional parks.

Engaged community, healthy environment

We have two activity areas in Parks: Parks planning; Visitor services.

Challenges in 2016/17

New technology and activities

Ongoing technology innovations are resulting in more people taking part in new recreation activities in parks, such as flying Unmanned Aerial Vehicles (drones) or riding e-bikes.

While we take a generally inclusive approach and encourage a wide range of activities across our parks, it's more important than ever that we carefully consider what the implications might be of making space available for these new activities and whether such activities may enhance or compromise the experience enjoyed by current users.

Sometimes effects of very new activities may be unforeseen, and so balancing the interests of a wide range of users becomes a significant challenge that requires good judgement, positive relationships with stakeholders, providing information about appropriate behaviour, and the continued co-operation of park users.

Public perceptions of farming practice

As more people become more aware of, visit and strengthen their connection to the regional parks, they become more sensitive to significant change that may occur there.

For example, with the implementation of our new farm licences at Queen Elizabeth Park and Battle Hill, it has become clear that some urban community perceptions of farming do not align with current practice including some forms of pasture renewal.

This represents a significant opportunity to strengthen the links between town and country and, using the regional parks as a showcase, share these perspectives, educate the community and evolve farming practices to be as environmentally and fiscally sustainable as possible.

What's changing in 2016/17

In the 2016/17 Annual Plan, GWRC has:

- removed the Whitireia Park Plan from 2016/17 performance targets
- extended the Parks Network Plan review
- added two key projects (fencing and flush toilets) to visitor services.

Parks planning	Impact
Adoption of the Whitireia Park Plan has been removed from 2016/17 performance targets because the Plan was completed in 2015/16	Early completion of the Plan has been beneficial for the management of the park
Review of the Parks Network Plan (PNP) has been extended from 2016/17 over two financial years	The PNP is not required to be revised until 2021. Legislation requires that the PNP is maintained as current and this has been done via two recent amendments (the addition of Parangarahu Lakes and Baring Head).
Visitor services	Impact
Addition of two projects into the list of key projects and programmes (fencing in Speedy's Stream and flush toilets in Tunnel Gully). These were funded in the 10 Year Plan 2015-25 but were not separately listed out as key projects.	No impact as these projects are already planned for and funded.

PARKS
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate	6,176	6,096
Targeted rates	-	-
Subsidies and grants for operating purposes	-	-
Fees, charges, and targeted rates for water supply	166	180
Fines, infringement fees, and other receipts ¹	575	597
Total operating funding	6,917	6,873
Applications of operating funding		
Payments to staff and suppliers	4,659	5,199
Finance costs	363	465
Internal charges and overheads applied	1,452	764
Total applications of operating funding	6,474	6,428
Surplus/(deficit) of operating funding	443	445
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	2,698	1,079
Gross proceeds from asset sales	52	53
Total sources of capital funding	2,750	1,132
Applications of capital funding		
Capital expenditure		
- to meet additional demand	-	-
- to improve the level of service	-	-
- to replace existing assets	3,939	1,741
Increase / (decrease) in investments	-	-
Increase / (decrease) in reserves	(746)	(164)
Total applications of capital funding	3,193	1,577
Surplus/(deficit) of funding	-	-
Depreciation on Parks assets	2,149	2,150

¹ This includes rental income and park activity fees

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

**PARKS
PROSPECTIVE FUNDING INFORMATION
FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
Operating funding		
Parks Planning	549	259
Visitor Services	6,368	6,614
Protecting the environment of regional parks	-	-
Total operating funding	6,917	6,873
Applications of operating funding		
Parks Planning	629	259
Visitor Services	5,811	6,134
Protecting the environment of regional parks	34	35
Total Applications of Operating Funding	6,474	6,428
Capital expenditure		
Battle Hill Farm Forest Park	14	14
Belmont Regional Park	893	442
Queen Elizabeth Park	1,449	930
Whitireia Park	107	7
Pakuratahi Forest	333	85
Akatarawa Forest	5	6
Wainuiomata Recreation Area	15	16
Kaitoke Regional Park	22	22
East Harbour Regional Park	807	-
Parks Other	100	21
Capital project expenditure	3,745	1,543
Land and buildings	-	-
Plant and equipment	-	0
Vehicles	194	198
Total capital expenditure	3,939	1,741

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to this group of activities, please refer to GWRC's Revenue and Financing Policy

All figures on this page exclude GST

SECTION THREE – COUNCIL-CONTROLLED ORGANISATIONS & INVESTMENTS

10 Year Plan, Section Six, p203

GWRC has a significant portfolio of investments. Our portfolio comprises:

- Equity investments in the WRC Holdings Group (including GW Rail and CentrePort Ltd)
- Wellington Regional Economic Development Agency (WREDA)
- Wellington Water Limited
- Local Government Funding Agency
- Liquid financial deposits
- Contingency Investments for Flood Protection and Water
- Material Damage and Business Interruption Fund
- Administrative properties (e.g. depots)

The 10 Year Plan 2015-25 provides details of GWRC's significant portfolio of investments.

Organisation	WRC Holdings Ltd
Ownership	100%
Directors	<ul style="list-style-type: none"> • Prue Lamason (Chair) • Samantha Sharif (Deputy Chair) • Peter Blades • Barbara Donaldson • Chris Laidlaw • Nigel Wilson
Nature and scope of activities	<p>WRC Holdings Ltd is the holding company for Port Investments Ltd, Greater Wellington Rail Ltd and indirectly CentrePort Ltd.</p> <p>WRC Holdings Ltd effectively manages any other investments held by the Group in order to maximise the commercial value to the shareholders and to protect the shareholders' investment.</p>
Significant policies and objectives on ownership & control	<p>The primary objectives of WRC Holdings Ltd are to support GWRC's strategic vision and operate successful, sustainable and responsible businesses, manage its assets prudently and, where appropriate, provide a commercial return.</p> <p>WRC Holdings Ltd has adopted policies that prudently manage risks and protect the investment.</p>
Key annual objectives and performance targets	<p>Objectives of the Group:</p> <ol style="list-style-type: none"> a) Support the Regional Council's strategic vision; operate successful, sustainable and responsible businesses. b) Manage its assets prudently. c) Where appropriate, provide a commercial return to shareholders except in the case of GWRL which will provide agreed outcomes to the Regional Council. d) For GWRL, prudently manage and maintain the rail rolling stock and rail infrastructure (GWRL's Rail Assets) through a management service agreement entered into with the Regional Council, providing for asset management, accounting, advisory, secretarial and general administration services and in particular: <ol style="list-style-type: none"> i. The Regional Council as its appointed agent carries out all services and activities, in relation to the GWRL's Rail Assets, that are reasonably necessary to enable the Regional Council to provide quality rail services to the public in accordance with the contractual obligations entered into with the then current rail operator of the rail services and maintenance provider of GWRL's Rail Assets; and ii. GWRL complies with its responsibilities as a rail participant under the Railways Act 2005, the current health and safety legislation and any other legislation affecting the GWRL's Rail Assets and operations iii. GWRC develops and maintains a systematic approach for the long-term management of GWRL's public transport rail assets in a manner consistent with industry best practice. e) Adopt policies that prudently manage risks and protect the investment of its shareholders. f) Have a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these. g) Conduct its affairs in accordance with sound business practice.

h) Achieve the objectives and performance targets of the shareholder.

Operational performance target:

- **WRC Holdings Ltd** to act as a responsible and inquiring shareholder and to hold meetings at least six times a year to review the operation and financial position of the company

WRC Holdings Group financial performance targets:

	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)
Surplus/(Deficit) before tax	(393)	990	970
Surplus after tax	1,498	2,415	2,348
Earnings before interest, tax and depreciation	34,587	37,486	39,846
Return on total assets	1.1%	1.3%	1.4%
Return on shareholder equity	0.3%	0.5%	0.5%
Shareholders' equity to total assets	60.8%	60.8%	60.9%
Dividends	3,552	3,966	4,273

Comment:

The net deficit before tax is due to the results of Greater Wellington Rail Limited (GWRL), which runs a deficit equivalent to its depreciation as this is not funded. This is offset by a surplus from CentrePort. This in turn impacts the return on equity.

WRC Holdings Parent financial performance targets:

	2016/17	2017/18	2018/19
Dividend distribution \$000s	3,552	3,966	4,273
Dividend distribution %	100%	100%	100%
Return on equity (1)	1.6%	1.7%	1.7%
Return on assets (2)	1.9%	1.9%	1.9%

Organisation	Greater Wellington Rail Ltd (GWRL)																										
Ownership	100%																										
Directors	<ul style="list-style-type: none"> • Prue Lamason (Chair) • Samantha Sharif (Deputy Chair) • Peter Blades • Barbara Donaldson • Chris Laidlaw • Nigel Wilson 																										
Nature and scope of activities	<p>Greater Wellington Rail Ltd owns GWRC's investments in metro rail assets, which includes:</p> <ul style="list-style-type: none"> • 18 SW Carriages • 6 SE Carriages • 1 AG Luggage van • 83 Matangi units – (On completion of second delivery) • Thorndon electrical multiple unit depot and train wash, Metro wheel lathe and building • 48 - Rail stations (excluding Wellington Central Station) • 14 -Pedestrian over-bridges • 13 - Pedestrian underpasses • Various carparks, other station improvements and ancillary rail related assets <p>Greater Wellington Rail Ltd is responsible for all aspects of asset management and stewardship, implemented through a management contract with GWRC. Operational delivery of the services is through separate maintenance and operating contracts with a Rail service provider. An asset management plan has been developed that articulates a structured programme to minimise the life cycle costs of asset ownership while maintaining the desired levels of service and sustaining the assets.</p>																										
Significant policies and objectives on ownership & control	GWRL is owned by WRC Holdings Ltd. All capital purchases are funded via Issuance of shares from WRC Holdings. The Board of GWRL has external directorships providing advice and expertise, common with WRC Holdings. GWRL is as asset holding (rolling stock and rail infrastructure) and contracts out the maintenance of these assets. GWRL is wholly owned by WRC Holdings who in turn is wholly owned by Wellington Regional Council.																										
Key annual objectives and performance targets	<table border="1"> <thead> <tr> <th></th> <th>2016/17</th> <th>2017/18</th> <th>2018/19</th> </tr> </thead> <tbody> <tr> <td>Financial performance targets:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Dividend distribution \$000s</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Dividend distribution %</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Return on equity (1)</td> <td>(5.0%)</td> <td>(5.0%)</td> <td>(5.4%)</td> </tr> <tr> <td>Return on assets (2)</td> <td>(4.2%)</td> <td>(4.3%)</td> <td>(4.7%)</td> </tr> </tbody> </table> <p>The negative returns relate to the fact that depreciation is not funded in GWRL.</p>				2016/17	2017/18	2018/19	Financial performance targets:				Dividend distribution \$000s	-	-	-	Dividend distribution %	-	-	-	Return on equity (1)	(5.0%)	(5.0%)	(5.4%)	Return on assets (2)	(4.2%)	(4.3%)	(4.7%)
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Operational performance targets	<p><i>Asset Management - Rolling Stock</i></p> <p>Days 100% availability not met Matangi: 1 day per month Carriage fleet: 0.5 days per month Average condition grade Matangi <2.5/5.0 Carriages <2.5/5.0</p> <p>Mean distance between failure Matangi: 37,500km Carriages: 45,000km</p>																										

Asset Management – Infrastructure

Percentage of facilities with CCTV coverage - 71%

- **Average condition grade of:**
 - Stations buildings & shelters $\leq 2.5/5.0$
 - Structures (subways & bridges) $\leq 2.5/5.0$
 - Park & ride $\leq 2.5/5.0$
- **Percentage of assets in condition grade 4 (Poor) or worse**
 - Stations buildings & shelters - 10%
 - Structures (subways & bridges) - 15%
 - Park & ride- 20%

NB: Conditional grade score: 1 is very good condition, 5 is very poor condition requiring replacement.

Other measurable targets:

- Deliver the second tranche of Matangi trains and M1 retrofit programme in accordance with the supply contract.
- Deliver train maintenance services within approved budgets through an operations and maintenance contract ensuring that train availability and reliability targets are met.
- Deliver infrastructure cleaning, maintenance and security services within approved budgets through various contracts ensuring asset condition does not deteriorate.
- Implement rail infrastructure asset renewals and like-for-like replacement programme in accordance with the asset investment priority framework.

Organisation	Port Investments Ltd (PIL)																										
Ownership	100%																										
Directors	<ul style="list-style-type: none"> • Prue Lamason (Chair) • Samantha Sharif (Deputy Chair) • Peter Blades • Barbara Donaldson • Chris Laidlaw • Nigel Wilson 																										
Nature and scope of activities	Port Investments Ltd is an investment vehicle that owns 76.9% of CentrePort Ltd. The board of Port Investments Ltd monitors performance of CentrePort.																										
Significant policies and objectives on ownership & control	PIL is owned by WRC Holdings Ltd. Its sole asset is a majority shareholding in CentrePort limited. PIL manages the Councils commercial investment. The Board of PIL has external directorships providing advice and expertise, common with WRC Holdings. The purpose of having the company is to separate the commercial assets from the public good assets of Council. PIL monitors CentrePort via its annual Statement of Corporate Intent. PIL is wholly owned by WRC Holdings who in turn is wholly owned by Wellington Regional Council.																										
Key annual objectives and performance targets	<p>PIL is to act as a responsible and inquiring shareholder of CentrePort. CentrePort to report at least four times a year to PIL and for the Board of PIL to approve significant transactions of CentrePort as determined by the Constitution. (5.0%)</p> <table border="1"> <thead> <tr> <th></th> <th>2016/17</th> <th>2017/18</th> <th>2018/19</th> </tr> </thead> <tbody> <tr> <td>Financial performance targets:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Dividend distribution \$000s</td> <td>3,625</td> <td>4,042-</td> <td>4,347-</td> </tr> <tr> <td>Dividend distribution %</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>Return on equity (1)</td> <td>138%)</td> <td>154%</td> <td>166%</td> </tr> <tr> <td>Return on assets (2)</td> <td>9.8%</td> <td>10.7%</td> <td>11.4%</td> </tr> </tbody> </table>				2016/17	2017/18	2018/19	Financial performance targets:				Dividend distribution \$000s	3,625	4,042-	4,347-	Dividend distribution %	100%	100%	100%	Return on equity (1)	138%)	154%	166%	Return on assets (2)	9.8%	10.7%	11.4%
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Return on assets (2)	9.8%	10.7%	11.4%																								

Organisation	CentrePort Ltd																																								
Ownership	76.9% by GWRC 23.1% by MWRC Holdings Ltd (owned by Horizons Regional Council)																																								
Directors	<ul style="list-style-type: none"> • Warren Larsen (Chair) • David Benham • Richard Janes • John Monaghan • Mark Petersen • Sophie Haslem • Lachlan Johnstone 																																								
Nature and scope of activities	<p>The major activities of CentrePort are:</p> <ul style="list-style-type: none"> • Port infrastructure (land, wharves, buildings, equipment, utilities) • Shipping and logistical services (pilotage, towage, berthage) • Operational service (cargo handling, warehousing, facilities management, property management, security, emergency services) • Integrated logistics solutions (networks, communications, partnerships) • Property services (development, leasing management) • Joint ventures (coldstore, container repair, cleaning, packing, unpacking and storage). 																																								
Significant policies and objectives on ownership & control	CentrePort is Port Company under the Port Companies Act 1988. PIL holds the shares of CentrePort Limited. PIL is a wholly owned subsidiary of WRC Holdings. CentrePort is a commercial organisation and is run by an independent board of directors, unrelated to the Council. The Port provides a commercial return to PIL by way of dividends.																																								
Key annual objectives and performance targets	<p>Safety and Security performance targets:</p> <table border="1"> <thead> <tr> <th rowspan="2">Objective</th> <th rowspan="2">Performance measure</th> <th colspan="2">Performance target</th> </tr> <tr> <th>2016/17</th> <th>2017/18</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Year on year improvement towards zero harm</td> <td>Implementation of five year action plan</td> <td>Review and renew plan</td> <td>Year one action items completed</td> </tr> <tr> <td>Lost Time Injury Frequency (per 200,000 hours worked)</td> <td>≤ 4.0</td> <td>≤ 3.6</td> </tr> <tr> <td>Lost Time Injury Severity (per 200,000 hours worked)</td> <td>≤ 60</td> <td>≤ 50</td> </tr> <tr> <td>bSafe Reports (incident and near miss reports)</td> <td>> 700</td> <td>> 800</td> </tr> <tr> <td>Maintain tertiary level of compliance with the ACC Workplace Safety Management Practices (WSMP)</td> <td>Tertiary status maintained</td> <td>Status retained</td> <td>WSMP Audit completed and passed</td> </tr> <tr> <td>Comply with the AS/NZS 4801: Occupational Health and Safety Management Systems</td> <td>AS/NZS 4801 audit completed in alternate years to WSMP</td> <td>Compliance with AS/NZS 4801</td> <td>Compliance with AS/NZS 4801</td> </tr> <tr> <td>Maintain a Health and Safety Policy that leads our zero harm aspiration and actions</td> <td>Policy reviewed annually against CentrePort's objectives and external benchmarks</td> <td>Compliance with Policy</td> <td>Compliance with Policy</td> </tr> <tr> <td rowspan="2">Maintain and promote excellence in Marine Operations consistent with the Port & Harbour</td> <td>The requirements of the PHSC continue to be met</td> <td>No breaches of the PHSC</td> <td>No breaches of the PHSC</td> </tr> <tr> <td>Risk assessments of new tasks or reviews post</td> <td>All new task risk assessments and</td> <td>All new task risk</td> </tr> </tbody> </table>			Objective	Performance measure	Performance target		2016/17	2017/18	Year on year improvement towards zero harm	Implementation of five year action plan	Review and renew plan	Year one action items completed	Lost Time Injury Frequency (per 200,000 hours worked)	≤ 4.0	≤ 3.6	Lost Time Injury Severity (per 200,000 hours worked)	≤ 60	≤ 50	bSafe Reports (incident and near miss reports)	> 700	> 800	Maintain tertiary level of compliance with the ACC Workplace Safety Management Practices (WSMP)	Tertiary status maintained	Status retained	WSMP Audit completed and passed	Comply with the AS/NZS 4801: Occupational Health and Safety Management Systems	AS/NZS 4801 audit completed in alternate years to WSMP	Compliance with AS/NZS 4801	Compliance with AS/NZS 4801	Maintain a Health and Safety Policy that leads our zero harm aspiration and actions	Policy reviewed annually against CentrePort's objectives and external benchmarks	Compliance with Policy	Compliance with Policy	Maintain and promote excellence in Marine Operations consistent with the Port & Harbour	The requirements of the PHSC continue to be met	No breaches of the PHSC	No breaches of the PHSC	Risk assessments of new tasks or reviews post	All new task risk assessments and	All new task risk
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Safety Code (PHSC)	incident completed	post incident reviews complete	assessments and post incident reviews complete
Maintain compliance with the International Ship & Port Security (ISPS) Code	Compliance is maintained, all incidents are reported to MNZ and NZ Customs Service, and learning reviews are undertaken and recommendations implemented	Compliance Maintained	Compliance Maintained

Environmental performance targets:

Objective	Performance measure	Performance target	
		2016/17	2017/18
Ensure regulatory compliance	Compliance breaches	Zero	Zero
Minimise risk to the environment	System: consistency with ISO14001	Audit and first stage certification ¹ complete	Audit and second stage certification complete
	Incidents: number of registered environmental incidents (FY 2015 Baseline – 32)	Decrease from previous year	Decrease from previous year
	Complaints: number of complaints from external stakeholders about environmental performance	Zero	Zero
Realise opportunities to be more sustainable	Greenhouse gas emissions (quantity CO ₂ equivalent) Emissions measured in accordance with ISO 14064-1: 2006 and the Greenhouse Gas Protocol.	Emissions intensity reduction plan and targets complete	Intensity reduction target to be advised. Verified annual emissions inventory complete
	Ozone depleting substances used (quantity methyl bromide released to atmosphere)	100% use of recapture technology for container fumigation	100% use of recapture technology for container fumigation
	Solid waste to landfill (quantity)	Waste monitoring system (and reduction plan) developed	Reduction target to be advised
Improve stakeholder relations	Environmental Consultative Committee meeting frequency	At least 3 per annum	At least 3 per annum
	Iwi engagement	Pre lodgment consultation undertaken for 100% of resource consent applications	Pre lodgment consultation undertaken for 100% of resource consent applications

	Transparency	Performance against targets reported in Annual Report	Performance against targets reported in Annual Report
Develop a culture of awareness and responsibility	Board sub-committee (Health Safety and Environment) meeting frequency	At least 4 per annum	At least 4 per annum
	Internal 'sustainability subcommittee' meeting frequency	At least 3 per annum	At least 3 per annum
<p>Social performance targets:</p> <p>a. Contribute to the desired outcome of the Wellington Regional Strategy through:</p> <ol style="list-style-type: none"> I. The provision of workplace opportunities and skills enhancements of our employees. II. Ensuring the regional economy is connected by the provision of high quality port services to support international and coastal trade. III. Collaborating with key partners of CentrePort's business to improve service outcomes. <p>b. Supporting the regional community by investing in community sponsorship and engaging community activities.</p> <p>c. To meet regularly with representative community groups</p> <p>General performance targets</p> <p>a. The company will, in consultation with the shareholders, continue to develop performance targets in the financial, environmental and social areas.</p> <p>b. CentrePort will report achievement against the above targets in the quarterly reports to shareholders and the annual report. The report will include specific initiatives to enhance the environment in which we operate.</p> <p>c. When developing 'property held for development' the Board is to adhere to the following principles:</p> <ol style="list-style-type: none"> I. Properties may be developed without the building being fully pre-let so long as tenancy risk is managed prudently. II. Property developments must not compromise port operations. III. Developments are to be undertaken only if they are able to be funded without additional capital from shareholders. IV. Development construction contracts are to be negotiated on a guaranteed maximum price or lump sum basis. <p>Definition of terms regarding property: "Management of tenancy risk" means that each single property investment has committed rental income (via development and executed lease contracts) that is sufficient to meet forecast interest costs on (i) the cost of the site development related to the development and (ii) the cost of the construction of the development AND the vacant net lettable area of the proposed development is no greater than 25%.</p>			
Key annual objectives and performance targets	Financial performance targets:	2016/17	2017/18
	Underlying net profit before tax	\$17.6 million	\$19.5 million
	Underlying net profit after tax	\$14.4 million	\$15.7 million
	Return on total assets	7.6%	7.8%
	Return on port assets	8.5%	9.0%
	Return on property assets	5.9%	5.5%
	Return on equity	6.9%	7.2%
	Dividend distribution	\$6.5 million	\$7.1 million
Dividend distribution (%)	45%	45%	

Definition of Terms

- Return on assets for each business segment
Port:
Earnings before interest and tax (EBIT) plus share of associates earnings divided by the average of total fixed assets and investments in associates.
Property:
EBIT plus share of associate earnings divided by the value of investment properties plus investment in associates. This calculation is performed separately on the value of developed investment properties and the total portfolio.
- Return on equity is underlying net profit after tax divided by average equity.
- Equity is defined as the total issued capital plus the balance of undistributed profits and all revenue and capital reserves less any minority interests of the parent company, CentrePort Limited and its subsidiaries, (“the Group”).
- Total assets are defined as all the recorded tangible and intangible assets of the Group at their current value as determined by the Group’s accounting policies.

Organisation	Wellington Regional Economic Development Agency		
Ownership	20% GWRC 80% WCC		
Directors	Peter Biggs (Chair) Matt Clark Grant Gilford Paul Mersi Lorraine Witten	Helen Anderson Sarah Gibbs Richard Laverty Thomas Pippas Dave Gibson	
Nature and scope of activities	<p>WREDA is the key provider for economic development in the region, combined with tourism, venues and major events management for Wellington City. It encompasses the functions, and funding, of the following previous organisations and programmes:</p> <ul style="list-style-type: none"> • Grow Wellington (and its subsidiary Creative HQ) • Positively Wellington Tourism • Positively Wellington Venues • Wellington City Council Major Events team 		
Significant policies and objectives on ownership & control	<p>Under an agreement between all the councils in the region WREDA was established in late 2014. It is owned jointly by Wellington City Council and GWRC. The ownership reflects the proportion of funding by the two shareholding councils. It is run by an independent board of directors and is accountable to the Wellington Regional Strategy Committee – a standing committee of GWRC with membership representing the councils in the region. WREDA implements the Wellington Regional Strategy and will support other plans which are currently being developed.</p>		
Key annual performance targets	Performance Indicators:	2016/17	2017/18
	Lightning Lab participant investment raised	\$3.5M	\$4.0M
	NZ Market share of International students	6.5%	7%
	Interns placed in priority sectors	200	220
	Customer satisfaction Screen Wellington survey	80%	85%
	Number jobs in attracted businesses	50	100
	GDP growth of priority sectors above Wellington average	0.5%	0.5%

Organisation	Wellington Water		
Ownership	20% GWRC 80% WCC, HCC, UHCC, PCC (20% each)		
Directors	John Strahl (Chair) Ilan Hutchings Nicki Crauford David Wright Cynthia Brophy		
Nature and scope of activities	Wellington Water manages the water treatment and supply, storm-water and waste-water service delivery in the Wellington region.		
Significant policies and objectives on ownership & control	Wellington Water was established in September 2014. It is owned jointly by GWRC, WCC, HCC, UHCC and PCC who each have a 20% share. It is run by an independent board of directors and is accountable to the Wellington Water Committee – a standing committee of elected representatives from each of the shareholding councils. Wellington Water manages the councils' water supply activities, delivers capital works programmes and provides council with asset management and planning advice.		
Key annual objectives and performance targets	Performance Indicators:	2016/17	2017/18
	Financial	Manage finances within budget	Manage finances within budget
	Regional Initiatives	Complete initiatives on time as agreed with GWRC	Complete regional initiatives on time as agreed with GWRC
	People	We have engaged staff that enjoy coming to work, go the extra mile and support each other. 60% of technical centre of excellence members have succession plans in place Less than 5% of high performing staff leave the company in any given year	We have engaged staff that enjoy coming to work, go the extra mile and support each other. 60% of technical centre of excellence members have succession plans in place Less than 5% of high performing staff leave the company in any given year
	Customer	We'll develop a customer strategy and a set of customer specific performance metrics	We'll develop a customer strategy and a set of customer specific performance metrics
	Strategic priorities	We complete our strategic priority milestones on time over the next three years, as monitored by the company's Senior Leadership Team on a quarterly basis. We will aim to achieve 1%	We complete our strategic priority milestones on time over the next three years, as monitored by the company's Senior Leadership Team on a quarterly basis.

		savings on the council work programme to June 2016.	We will aim to achieve 1% savings on the council work programme to June 2016.
	Council Work Programmes	Wellington Water takes a whole-life cost approach to managing assets to achieve agreed levels of service (tested through a sample of completed projects driven through the Asset Management Plans)	Wellington Water takes a whole-life cost approach to managing assets to achieve agreed levels of service (tested through a sample of completed projects driven through the Asset Management Plans)
		Post completion evaluations to ensure we delivered what we said we would deliver (5% sample size)	Post completion evaluations to ensure we delivered what we said we would deliver (5% sample size)
		95% of all agreed projects from client council asset management plans are completed in any given year.	95% of all agreed projects from client council asset management plans are completed in any given year.

Organisation	New Zealand Local Government Funding Agency Limited (LGFA)
Ownership	8.3%
Representation (total members)	30 Local Authorities are shareholders of the LGFA with shareholding ranging from 8.3% to 0.4% of total share capital. The New Zealand government owns 11.1% of the total \$45 million of share capital.
Nature and scope of activities	<ul style="list-style-type: none"> • LGFA will raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency and provide debt funding to New Zealand Local Authorities, and may undertake any other activities considered by the Board to be reasonably related or incidental to, or in connection with, that business. • The LGFA will only lend to local authorities that enter into all the relevant arrangements with it (participating local authorities) and comply with the LGFA's lending policies. <p>In lending to Participating Local Authorities, LGFA will:</p> <ul style="list-style-type: none"> • Operate in a manner to ensure LGFA is successful and sustainable in the long-term. • Educate and inform Participating Local Authorities on matters within the scope of LGFA's operations. • Provide excellent service to Participating Local Authorities. • Ensure excellent communication exists and be professional in its dealings with all its stakeholders. • Ensure its products and services are delivered in a cost effective manner.
Significant policies and objectives	<ul style="list-style-type: none"> • Provide savings in annual interest costs for all Participating Local Authorities on a relative basis to other sources of financing. • Making longer-term borrowings available to Participating Local Authorities. • Enhancing the certainty of access to debt markets for Participating Local Authorities, subject always to operating in accordance with sound business practice. • Offering more flexible lending terms to Participating Local Authorities. • LGFA will monitor the quality of the asset book so that it remains of high standard by ensuring it understands each Participating Local Authority's financial position and the general issues confronting the Local Government sector this includes: <ul style="list-style-type: none"> • LGFA will review each Participating Local Authority's financial position, its financial headroom under LGFA policies and visit each Participating Local Authority on an annual basis • LGFA will analyse finances at the Council group level where appropriate • LGFA will work closely with the Department of Internal Affairs (DIA), Office of the Auditor General (OAG) and Local Government New Zealand (LGNZ) on sector and individual council issues.
Key annual objectives and performance targets	<p>LGFA's average cost of funds relative to the average cost of funds for New Zealand Government Securities for the period to:</p> <ul style="list-style-type: none"> • 30 June 2017 will be less than 0.50% higher • 30 June 2018 will be less than 0.50% higher • 30 June 2019 will be less than 0.50% higher <p>The average margin above LGFA's cost of funds charged to the highest rated participating local authorities will be no more than:</p> <ul style="list-style-type: none"> • 30 June 2017 will be no more than 0.10% • 30 June 2018 will be no more than 0.10% • 30 June 2019 will be no more than 0.10%

	<p>The above indicators include both LGFA Bills and Bonds and short dated and long dated lending to councils.</p> <p>LGFA's annual issue and operating overheads expenses (excluding AIL) for the period to:</p> <ul style="list-style-type: none">• 30 June 2017 will be less than \$4.80 million• 30 June 2018 will be less than \$4.94 million• 30 June 2019 will be less than \$5.06 million <p>Total lending to participating local authorities at:</p> <ul style="list-style-type: none">• 30 June 2017 will be at least \$7,341 million• 30 June 2018 will be at least \$7,762 million• 30 June 2019 will be at least \$7,850 million <p>Savings on borrowing costs for council borrowers:</p> <ul style="list-style-type: none">• LGFA will demonstrate the savings to council borrowers on a relative basis to other sources of financing achieved in the relevant financial year and compared to previous financial years.
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INVESTMENTS
PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE

	2016/17 Plan \$000s	2016/17 LTP \$000s
Sources of operating funding		
General rate ¹	(10,038)	(9,588)
Targeted rates	2,676	2,677
Subsidies and grants for operating purposes	-	-
Fines, infringement fees, and other receipts ^{2,3}	27,546	24,876
Total operating funding	20,184	17,965
Applications of operating funding		
Payments to staff and suppliers	1,441	1,465
Finance costs	16,162	14,017
Internal charges and overheads applied	-	-
Total applications of operating funding	17,603	15,482
Surplus/(deficit) of operating funding	2,581	2,483
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	9,070	1,745
Gross proceeds from asset sales	38	39
Total sources of capital funding	9,108	1,784
Applications of capital funding		
Capital expenditure		
- to meet additional demand	-	-
- to improve the level of service	-	-
- to replace existing assets	497	121
Increase / (decrease) in investments	1,148	1,167
Increase / (decrease) in reserves	10,044	2,979
Total applications of capital funding	11,689	4,267
Surplus/(deficit) of funding	-	-
Depreciation on Investment assets	356	358

¹ Net Investment surpluses are used to reduce the general rate. It is applied to general rate as all ratepayers benefit the same proportionally from a reduction in the

² Other receipts include revenue from pest control.

In the comparative year of the LTP it also included internal income from public transport as the mechanism to fund the rail infrastructure and the new Malangi trains carried out by the 100% Council-Controlled Trading Organisation, Greater Wellington Rail Ltd. The funds recovered were to be utilised within investments for an equity injection into Greater Wellington Rail Ltd to enable Greater Wellington Rail Ltd to fund Greater Wellington's share of the upgrades. This year the full cost is included directly within the Public Transport activity.

³ Greater Wellington manages community outcome debt via an internal debt function. Other receipts includes internal interest income which is the total interest charged to the operational activities. External investments and debt are managed through a central treasury management function in accordance with the Treasury Management Policy.

Internal interest revenue	21,629	17,620
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This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

For more information on the revenue and financing mechanisms applicable to investments, please refer to the "Revenue and Financing Policy" in the 10-Year Plan 2015-25

All figures on this page exclude GST

**INVESTMENTS
 PROSPECTIVE INCOME INFORMATION
 FOR THE YEAR ENDING 30 JUNE**

	2016/17 Plan \$000s	2016/17 LTP \$000s
NET CONTRIBUTION		
TO GENERAL RATES FROM		
INDIVIDUAL INVESTMENTS		
Liquid financial deposits	1,314	1,525
WRC Holdings	4,075	4,251
Treasury management	4,371	3,542
Other Investments and Property	278	270
Total contribution to general rates	10,038	9,588

For more information on the revenue and financing mechanisms applicable to investments, please refer to the "Revenue and Financing Policy" in the this 10-Year Plan 2015-25

All figures on this page exclude GST

SECTION FOUR – FINANCIAL INFORMATION

10 Year Plan, Section Seven, p221

Significant forecasting assumptions and risks

10 Year Plan, Section Four, p83

The section below outlines those assumptions that have changed from the 10 Year Plan 2015-25 and have a material impact on the forecasts.

Financial assumptions

Interest rates

Assumption: GWRC has used a composite forecast based on the Reserve Bank of New Zealand (RBNZ) 90-day bank bill rate forecast and the implied market based 90-day forward rates for its floating interest rate projections for new lending. The fixed interest rate is based on the existing pay fixed interest rate swaps in place. Added to both of these is the market determined credit margin to borrow funds.

In our 10 Year Plan we budgeted for an interest rate of 5.7% in the 2016/17 year, however we have revised our budget to 4.93%.

Risk: There is a risk that the credit margin may increase and that floating rates may rise around the assumed composite tract. A 1% increase in interest rates above budgeted levels, assuming expenditure is in accordance with the Annual Plan, is around \$1 million for the 2016/17 year.

Level of uncertainty: medium

Transport funding from the New Zealand Transport Agency

Assumption: In 2016/17 funding assistance will be provided by the New Zealand Transport Agency (NZTA), at the following levels (percentage of cost):

Rail services	55%
Total Mobility scheme	60%
Rail projects	51% – 60%
All other transport activities	51%

Risk: The funding currently provided by NZTA towards regional transport activities is reduced further or discontinued. NZTA have indicated that financial assistance rates are unlikely to change in 2016/17.

Level of uncertainty: low

Fuel prices

Assumption: GWRC has entered into a number of bus contracts to supply public transport services. Included in these contracts are cost indices requiring GWRC to adjust payments, depending on the movement of the indices. The indices are calculated on a number of factors, including the New Zealand dollar price for diesel, staff costs, etc. For 2016/17 the cost of oil is assumed to be US\$55 per barrel (WTIs) and the NZ/US exchange rate is assumed to be \$0.65.

Risk: The exchange rate and/or oil price are higher or lower, affecting the cost of our bus contracts.

Level of uncertainty: high

Potential impacts of uncertainty: An increase in the price of oil of US\$10 per barrel would require an increase in rates of \$0.3 million, while a 10 cent fall in the value of the New Zealand dollar compared to the US dollar would require an increase in rates of \$0.4 million.

Fare revenue

Assumption: No increase in fares in 2016/17. Projections show that overall Fare Box Recovery targets can be met without the need for a fare increase. On-going low inflation, low fuel costs and flow on affects to patronage have been key considerations.

Risk: If inflation increases, our costs may increase, but we will not have an opportunity to increase funding through fares until the 2017/18 year

Level of uncertainty: low

Statement of significant accounting policies

10 Year Plan, Section Seven, p222

**PROSPECTIVE COMPREHENSIVE REVENUE AND EXPENSE STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2015/16 Budget \$000s	2016/17 Plan \$000s	2016/17 LTP \$000s
OPERATING REVENUE			
General rates	36,522	39,504	41,000
Targeted rates	72,830	77,960	80,419
Regional rates	109,352	117,464	121,419
Water supply levy	27,600	29,098	29,468
Government subsidies	82,056	85,404	85,823
Interest and dividends	6,283	6,037	6,649
Other operating revenue	14,904	60,043	64,974
Total external operating revenue	240,195	298,046	308,333
OPERATING EXPENDITURE			
Personnel costs	40,892	43,557	41,756
Grants and subsidies	94,577	149,268	144,296
Finance costs	15,427	16,534	22,456
Depreciation	18,519	17,514	19,384
Other operating expenses	61,270	69,835	62,173
Total external operating expenditure	230,685	296,708	290,065
Operating surplus before transport improvement grants ¹	9,510	1,338	18,268
Transport improvement grants ¹	1,963	0	888
Operating surplus / (deficit) before other items	7,547	1,338	17,380
Other fair value changes	782	5,179	1,981
Operating surplus / (deficit) for the year	8,329	6,517	19,361
Other comprehensive income			
Increases / (decreases) in revaluations ²	0	0	0
Total comprehensive income / (deficit) for year	8,329	6,517	19,361

¹ Greater Wellington now fully funds some public transport improvement expenditure at the time the expense is incurred, and recovers a share of the debt servicing costs from the New Zealand Transport Agency. Where this expenditure is for rail rolling stock and infrastructure that will be owned by the 100% council subsidiary Greater Wellington Rail Limited it is treated as an investment in this subsidiary. Where this expenditure is for assets owned by other entities, this expenditure is treated as operational expenditure.

² The revaluations are primarily for property plant and equipment.

All figures on this page exclude GST

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE

	2015/16	2016/17	2016/17
	Budget	Plan	LTP
	\$000s	\$000s	\$000s
Total opening ratepayers' funds	970,712	882,054	979,039⁽³⁾
Total comprehensive income / (deficit) for year	8,329	6,517	19,361
Movement in ratepayers funds for year	8,329	6,517	19,361
Closing ratepayers' funds	979,041	888,571	998,400
Components of ratepayers funds			
Opening accumulated funds	468,415	368,483	482,561
Total comprehensive income / (deficit) for year	8,329	6,517	19,361
Movements in other reserves	5,819	10,017	2,951
Movement in accumulated funds for year	14,148	16,534	22,312
Closing accumulated funds	482,563	385,017	504,873
Opening other reserves	25,958	36,315	20,139
Movements in other reserves	(5,819)	(10,017)	(2,951)
Movement in ratepayers funds for year	(5,819)	(10,017)	(2,951)
Closing other reserves	20,139	26,298	17,188
Opening asset revaluation reserves	476,339	477,256	476,339
Movements in revaluation reserve ¹	-	-	-
Movement in asset revaluation reserve for year	-	-	-
Closing asset revaluation reserve	476,339	477,256	476,339
Closing ratepayers' funds ²	979,041	888,571	998,400

¹ Movements in revaluation reserves are the projected revaluation of property, plant and equipment over the life of the plan

² Closing Ratepayer's funds in the 2014/15 year differ from the opening balance 2015/16 as the later allows for forecast movements in the current financial year compared with budgeted movements

All figures on this page exclude GST

³ LTP misstatement – over statement by \$96m

PROSPECTIVE STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE

	2015/16 Budget \$000s	2016/17 Plan \$000s	2016/17 LTP \$000s
ASSETS			
Cash and other equivalents	29,145	5,160	32,599
Investments (current)	-	47,027	-
Other current assets	32,598	14,964	33,477
Current assets	61,743	67,151	66,076
Investments (non-current)	59,107	33,480	60,520
Investment in subsidiary	361,961	272,902	371,963 ⁽¹⁾
Property, plant and equipment	879,737	916,141	905,959
Non-current assets	1,300,805	1,222,523	1,338,442
Total assets	1,362,548	1,289,674	1,404,518
RATEPAYERS' FUNDS			
Retained earnings	482,563	385,017	504,873 ⁽¹⁾
Reserves	496,478	503,554	493,527
Total ratepayers' funds	979,041	888,571	998,400
LIABILITIES			
Debt (current)	21,253	85,509	21,254
Other current liabilities	33,195	35,594	33,195
Current liabilities	54,448	121,103	54,449
Debt (non-current)	329,059	280,000	351,669
Non-current liabilities	329,059	280,000	351,669
Total liabilities	383,507	401,103	406,118
Total equity and liabilities	1,362,548	1,289,674	1,404,518

All figures on this page exclude GST

(1) LTP misstatement – over statement by \$96m

**PROSPECTIVE STATEMENT OF CASHFLOWS
FOR THE YEAR ENDING 30 JUNE**

	2015/16	2016/17	2016/17
	Budget	Plan	LTP
	\$000s	\$000s	\$000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash is provided from:			
Regional rates	109,352	117,464	121,419
Water supply levy	27,600	29,098	29,468
Government subsidies	82,056	85,404	85,823
Interest and dividends	6,283	6,037	6,649
Fees, charges and other revenue	14,904	60,043	64,974
	240,195	298,046	308,333
Cash is disbursed to:			
Interest	15,427	16,534	22,456
Payment to suppliers and employees	198,703	260,659	247,459
	214,130	277,193	269,915
Net cash flows from operating activities	26,065	20,853	38,418
CASHFLOWS FROM INVESTING ACTIVITIES			
Cash is provided from:			
Sale of property, plant and equipment	523	567	366
Cash is applied to:			
Purchase of property, plant and equipment	31,535	41,068	45,974
Investment additions	139,623	28,034	10,002
	171,158	69,102	55,976
Net cashflows from investing activities	(170,635)	(68,535)	(55,610)
CASHFLOWS FROM FINANCING ACTIVITIES			
Cash is provided from:			
Loan funding ¹	165,544	68,593	40,036
Cash is applied to:			
Debt repayment	13,788	13,105	19,390
Net cashflows from financing activities	151,756	55,488	20,646
Net increase/(decrease) in cash and cash equivalents	7,186	7,806	3,454
Opening cash and cash equivalents ²	21,959	(2,646)	29,145
Closing cash and cash equivalents²	29,145	5,160	32,599

¹ Greater Wellington now fully funds some public transport improvement expenditure at the time the expense is incurred, and recovers a share of the debt servicing costs from the New Zealand Transport Agency. This increases the debt carried by Greater Wellington compared to the previous regime of Crown grants at time of expenditure for capital projects.

² Closing cash and cash equivalent balances in the 2014/15 year differ from the opening balance 2015/16 as the latter allows for forecast movements in the current financial year compared with budgeted movements

All figures on this page exclude GST

**PROSPECTIVE FUNDING IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2015/16	2016/17	2016/17
	Budget	Plan	LTP
	\$000s	\$000s	\$000s
Greater Wellington operations			
Sources of operating funding			
General rates	36,522	39,504	41,000
Targeted rates	72,830	77,960	80,419
Subsidies and grants for operating purposes	77,118	83,386	75,197
Interest and dividends from investments	6,283	6,037	6,649
Fees, charges, and targeted rates for water supply	4,582	50,850	54,059
Fines, infringement fees, and other receipts ¹	37,922	38,291	40,383
Total operating funding	235,257	296,028	297,707
Applications of operating funding			
Personnel	40,481	43,557	41,756
Grants and subsidies	96,540	149,268	145,183
Other operating expenses	53,151	69,834	62,174
Payments to staff and suppliers	198,704	262,659	249,113
Finance costs	15,427	16,534	22,456
Other operating funding applications	-	-	-
Total applications of operating funding²	214,131	279,193	271,569
Operating surplus/(deficit)	21,126	16,835	26,138
Sources of Capital Funding			
Subsidies and grants for capital expenditure	4,938	2,018	10,626
Increase / (decrease) in debt	145,937	45,471	17,695
Gross proceeds from asset sales	523	567	366
Total Sources of Capital Funding	151,398	48,056	28,687
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	2,720	50	-
- to improve the level of service	15,589	26,415	35,443
- to replace existing assets	13,226	14,603	10,531
Increase / (decrease) in investments	146,808	33,840	11,802
Increase / (decrease) in reserves	(5,819)	(10,017)	(2,951)
Total Applications of Capital Funding	172,524	64,891	54,825
Surplus/(Deficit) of Capital Funding	-	-	-
Depreciation on council assets	18,519	17,514	19,384
Water Supply Levy¹	27,600	29,098	29,468

¹This includes the Water supply levy charged to Wellington, Lower Hutt, Upper Hutt and Porirua city councils

This statement is not an income statement. It excludes all non cash transactions such as depreciation and valuations

All figures on this page exclude GST

**PROSPECTIVE REGIONAL RATES AND CAPITAL EXPENDITURE
FOR THE YEAR ENDING 30 JUNE**

	2015/16 Budget \$000s	2016/17 Plan \$000s	2016/17 LTP \$000s
REGIONAL RATES			
Regional Leadership - excluding Warm Greater Wellington targeted rate	11,685	11,751	12,729
Public transport	54,940	59,939	61,050
Environment	25,365	26,695	26,956
Flood Protection and Control Works	15,729	17,176	17,503
Parks	5,920	6,176	6,096
Investments ¹	(7,640)	(7,362)	(6,910)
Total Rates excluding Warm Greater Wellington targeted rate	105,999	114,375	117,424
Regional Leadership - Warm Greater Wellington targeted rate	3,353	3,089	3,995
Total regional rates	109,352	117,464	121,419
CAPITAL EXPENDITURE			
Environment	1,127	3,212	1,104
Public transport ²	6,710	3,605	20,477
Water supply	5,405	4,020	6,128
Parks	3,495	3,939	1,741
Flood Protection and Control Works	10,705	21,333	12,737
Regional Leadership	1,015	762	2,321
Investments	118	497	121
Other	2,960	3,700	1,345
Total capital expenditure	31,535	41,068	45,974
Public Transport Improvements	1,963	0	888
Public Transport Investment in Rail	139,623	28,034	10,002
Total Capex and improvements	173,121	69,102	56,864

¹ Investment returns reduce the requirement for rates

² Transport capital expenditure excludes investment in Greater Wellington Rail Limited for the purchase of rail rolling stock and infrastructure. This is disclosed separately as Public Transport Investment in Rail.

All figures on this page exclude GST

PROSPECTIVE FINANCIAL RESERVES FOR THE YEAR ENDED 30 JUNE

TOTAL COUNCIL FINANCIAL STATEMENTS

Financial Reserves

We have two types of council created reserves, which are monies set aside by the council for a specific purpose:

- Retained earnings – any surplus or deficit not transferred to a special reserve is aggregated into retained earnings
- Other reserves – any surplus or deficit or specific rate set aside or utilised by council for a specific purpose. Reserves are not separately held in cash and funds are managed as part of GWRC's treasury risk management policy.

Other reserves are split into four categories:

- Area of Benefit reserves – any targeted rate funding surplus or deficit is held to fund future costs for that area
- Contingency reserves – funds that are set aside to smooth the impact of costs associated with specific unforeseen events
- Special reserves – funds that are set aside to smooth the costs of irregular expenditure
- Rebudget reserves – expenditure that has been rated for in one year when the project will not be completed until the following year.

Council Created Reserves	Purpose of the Fund	Opening Balance	Deposits	Withdrawals	Closing Balance
		Jul-16 \$000s	\$000s	\$000s	Jun-17 \$000s
Area of benefit reserves					
Public transport reserve	Any funding surplus or deficit relating to the provision of public transport services is used only on subsequent public transport expenditure	16,922.0	461	(7,477)	9,907
Transport planning reserve	Any funding surplus or deficit relating to the provision of public transport planning services is used only on subsequent public transport planning expenditure	1,892	284	0	2,176
WREMO reserve	Contributions by other Local Authorities to run the WREMO	163	-	-	163
WRS reserve	Any funding surplus or deficit relating to the Wellington Regional Strategy implementation is used only on subsequent Wellington Regional Strategy	692	11	-	703
Catchment scheme reserves	Any funding surplus or deficit relating to the provision of flood protection and catchment management schemes is used only on subsequent flood protection and catchment management expenditure	7,190	764	(374)	7,580
Land management reserves	Any funding surplus or deficit relating to the provision of targeted land management schemes is used only on subsequent land management expenditure	1,057	35	(110)	982
Contingency reserves					
Environmental legal reserve	To manage the variation in legal costs associated with resource consents and enforcement	207	-	-	207
Flood contingency reserves	To help manage the costs for the repair of storm damage throughout the region.	1,771	265	-	2,036
Rural fire reserve	To help manage the costs of rural fire equipment.	69	2	-	71
Special Reserves					
Election reserve	To manage the variation in costs associated with the election cycle	559	14	(325)	248
Corporate systems reserve	To manage the variation in costs associated with key IT infrastructure and software.	3,134	155	(2,080)	1,208
Other reserve	Expenditure that has been rated for in one year when the project will not be completed until the following year	2,659	370	(2,013)	1,016
Total Reserves		36,315	2,362	(12,379)	26,298

All figures on this page exclude GST

Annual plan disclosure statement for year ending 30 June 2017

*

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Benchmark	Plan	Met	
Rates affordability				
• income	limit on rates	\$175.5m	\$114.4m	Yes
• increases	limit on rates increases	\$6.7m	\$8.4m	No*
Debt affordability	debt balance	\$590m	\$366m	Yes
Debt affordability	net interest/rates & levies	30%	7%	Yes
Debt affordability	net debt/total revenue	250%	117%	Yes
Debt servicing	net interest/revenue	10%	3%	Yes
Balanced budget		100%	102%	Yes
Essential services (flood protection and water)	Capital expenditure/depreciation	100%	22%	No**

* The Council adopted an average increase of 6.5% per annum over the 10 Year Plan 2015-25 as it continues to significantly invest in improving the public transport network and the on-going flood protection programme. In the 2016/17 plan year the increase is ahead of the average as the major capital projects are undertaken.

Over the life of the 10 Year Plan 2015-25 the council is well within this benchmark.

** Over this annual plan and the 10 Year Plan 2015-25 we are not meeting this benchmark. With very long life assets such as pipelines this is not unexpected due to the extremely long replacement cycles. Assets like stop banks for flood protection are not expected to be renewed unless damaged by floods so do not have a renewal expectation. Over the long term there will be periods of significant replacement that counters the short term outlook of this particular benchmark.

Rating Base Information

The Council is required to state in its annual plan the projected rating base within the region at the end of the preceding financial year.

Projected rating base for 2016/17

Rating units	200,555
Capital Value	\$109.2b
Land Value	\$51.1b

SUMMARY OF RATES AND LEVIES

This table shows the rates and levies for Greater Wellington Regional Council in 2016/17, together with the changes from 2015/16. Rates comprise the general rate and various targeted rates. Greater Wellington Regional Council also charges a water supply levy directly to the four city councils in the region. The city councils then rate accordingly for this levy.

The total rate increase in regional rates for 2016/17 is 7.9%. The water supply levy, which is charged to the four metropolitan city councils is proposed to increase by 5.4% over 2015/16. When the water supply levy is included, Greater Wellington Regional Council's overall increase is 7.4%.

By rate and levy type:	2015/16	2016/17	Change \$000s	Change %
	Budget	Plan		
	\$000s	\$000s		
General rates	36,523	39,503	2,980	
Targeted rates:				
Region wide targeted rates:				
River management rates	5,219	5,483	264	
Transport rates	54,940	59,939	4,999	
Stadium rates	2,676	2,676	-	
WRS rates	4,711	4,768	57	
Specific area targeted rates:				
Possum / Predator rates	348	424	76	
South Wairarapa district – river rates	91	91	-	
Wairarapa scheme and stop bank rates	1,492	1,491	(1)	
Total targeted rates¹	69,477	74,872	5,395	
Total regional rates	106,000	114,375	8,375	7.9%
Water supply levy	27,600	29,098	1,498	5.4%
Total regional rates and levies¹	133,600	143,473	9,873	7.4%
Warm Wellington rates ²	3,353	3,089		
Total rates and levies	136,953	146,562		

All figures on this page exclude GST

Figures labelled "2015/16 Budget" are sourced from Greater Wellington Regional Council's 2015/16 Annual Plan.

1 This total excludes any "Warm Greater Wellington" targeted rates as they impact only those ratepayers that participate in the scheme

2 Warm Greater Wellington is the scheme to assist regional ratepayers install insulation in their home. Only ratepayers participating in the scheme are charged this rate.

This information should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy contained within the 2015/25 long term plan available at www.gw.govt.nz

WHAT IS THE IMPACT ON YOUR CITY OR DISTRICT?

Rates increases vary between city and district councils because of differing capital values. Further, some of Greater Wellington Regional Council's work programmes impact differently across the region, especially flood protection and public transport. See the next page for a break down by city and rate type

By area:	2015/16 Budget	2016/17 Plan	Change	Change
	\$000s	\$000s	\$000s	%
Wellington city	54,858	59,009	4,151	
Lower Hutt city	20,254	22,083	1,829	
Upper Hutt city	7,237	7,861	624	
Porirua city	8,359	9,193	834	
Kapiti Coast district	8,324	8,788	464	
Masterton district	2,229	2,375	146	
Carterton district	1,059	1,154	95	
South Wairarapa district	1,747	1,903	156	
Tararua district ¹	2	3	1	
Region-wide rates²	104,069	112,369	8,300	
Possum / predator rates	348	424	76	
South Wairarapa district – river rates	91	91	-	
Wairarapa scheme and stopbank rates	1,492	1,491	(1)	
Total regional rates	106,000	114,375	8,375	7.9%
Water supply levy				
Wellington City Council	14,773	15,681	908	
Hutt City Council	6,838	7,312	474	
Upper Hutt City Council	2,702	2,773	71	
Porirua City Council	3,287	3,332	45	
Water supply levy	27,600	29,098	1,498	5.4%
Total regional rates and levies³	133,600	143,473	9,873	7.4%
Warm Wellington rate ⁴	3,353	3,089		
Total rates and levies	136,953	146,562		

All figures on this page exclude GST

Notes:

Figures labelled "2015/16 Budget" are sourced from Greater Wellington Regional Council's 2015/16

¹ 12 rural properties in the Tararua district are within the boundaries of the Greater Wellington region.

² Region-wide rates are rates that are charged to all ratepayers in the region. It excludes Possum / Predator, South Wairarapa Region river rates, Wairarapa river and drainage scheme rates and any "Warm Greater Wellington" targeted rates as they impact only certain ratepayers that are covered by these programmes

³ This total excludes any "Warm Greater Wellington" targeted rates as they impact only those ratepayers that participate in the scheme

⁴ Warm Wellington is the scheme to assist regional ratepayers install insulation or clean heating appliances in their home. Only ratepayers participating in the scheme are charged this rate.

This information should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy contained within the 2015/25 long term plan available at www.gw.govt.nz

RATES AND LEVIES - RESIDENTIAL REGION-WIDE RATES WHAT IS THE IMPACT ON YOUR CITY OR DISTRICT?

2015/16 Residential Region wide rates by rate type and for an average valued residential property

	General rate per average valued residential property		River management rate per average valued residential property		Transport rate per average valued residential property		Stadium-purposes rate per average valued residential property		Region-wide residential ¹ per average valued residential property excluding WRS rate	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Wellington city	\$190.54	\$209.63	\$0.47	\$0.44	\$159.54	\$162.82	\$14.77	\$14.68	\$365.32	\$387.57
Lower Hutt city	\$136.22	\$143.44	\$69.82	\$77.43	\$210.48	\$235.93	\$10.54	\$10.52	\$427.06	\$467.33
Upper Hutt city	\$126.02	\$127.59	\$30.39	\$30.96	\$211.57	\$232.96	\$8.07	\$7.86	\$376.05	\$399.37
Porirua city	\$139.79	\$147.98	\$1.45	\$1.34	\$250.43	\$282.12	\$9.24	\$9.15	\$400.91	\$440.59
Kapiti Coast district	\$136.58	\$145.27	\$48.62	\$44.69	\$102.52	\$114.61	\$4.97	\$4.97	\$292.68	\$309.53
Masterion district	\$89.73	\$95.93	\$0.00	\$0.00	\$21.86	\$24.20	\$4.24	\$4.24	\$115.82	\$124.38
Carterton district	\$102.56	\$101.20	\$2.99	\$2.76	\$42.79	\$44.76	\$4.19	\$3.97	\$152.53	\$152.69
South Wairarapa district	\$97.69	\$106.87	\$0.00	\$0.00	\$55.02	\$61.88	\$5.16	\$5.15	\$157.87	\$173.90

	Average value of residential property in each city or district		Total Region-wide ¹ per average valued residential property excluding WRS rate		WRS rate ² per residential property		Total Region-wide ¹ rates per average residential property including WRS rate	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Wellington city	\$518,323	\$549,713	\$365.32	\$387.57	\$14.00	\$14.00	\$379.32	\$401.57
Lower Hutt city	\$376,592	\$378,461	\$427.06	\$467.33	\$14.00	\$14.00	\$441.06	\$481.33
Upper Hutt city	\$347,756	\$343,289	\$376.05	\$399.37	\$14.00	\$14.00	\$390.05	\$413.37
Porirua city	\$391,414	\$394,401	\$400.91	\$440.59	\$14.00	\$14.00	\$414.91	\$454.59
Kapiti Coast district	\$385,258	\$388,240	\$292.68	\$309.53	\$14.00	\$14.00	\$306.68	\$323.53
Masterion district	\$249,501	\$251,063	\$115.82	\$124.38	\$14.00	\$14.00	\$129.82	\$138.38
Carterton district	\$274,135	\$257,835	\$152.53	\$152.69	\$14.00	\$14.00	\$166.53	\$166.69
South Wairarapa district	\$275,773	\$276,988	\$157.87	\$173.90	\$14.00	\$14.00	\$171.87	\$187.90

All figures on this page exclude GST

Notes:

Figures labelled "2015/16 Budget" are sourced from Greater Wellington Regional Council's 2015/16 Annual Plan.

¹ Region-wide rates are rates that are charged to all ratepayers in the region. It excludes South Wairarapa Region river rates, Wairarapa river and drainage scheme rates and any "Warm Greater Wellington" targeted rates as they impact only certain ratepayers that are covered by these programmes

² The WRS rate is a targeted rate allocated on a fixed amount basis for residential and rural ratepayers. It is allocated on capital value for businesses. For residential properties the fixed amount is \$14.00 + GST and rural properties \$28.00 + GST. This rate is used to fund the Wellington Regional Strategy and Grow Wellington is the region's economic development agency (EDA).

Rates for Greater Wellington are mostly allocated to ratepayers on the basis of their capital values. The territorial local authorities undertake valuations in different years. To ensure properties are valued on the same basis in each territorial area, Greater Wellington undertakes an equalised capital value (ECV) calculation to ensure fair distribution of rates based on capital values.

This information should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy contained within the 2015/25 long term plan available at www.gw.govt.nz

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

General rate	2016/17 Cents per \$ of rateable capital value	2016/17 Revenue sought \$
Wellington city	0.03814	19,312,022
Lower Hutt city	0.03790	6,537,161
Upper Hutt city	0.03750	2,535,431
Porirua city	0.03752	3,061,588
Kapiti Coast district	0.03741	4,068,607
Masteron district	0.03822	1,786,465
Carterton district	0.03925	839,427
South Wairarapa district	0.03858	1,360,301
Tararua district	0.04135	2,814
Total general rate		39,503,816
Targeted rate: River management based on capital value	2016/17 Cents per \$ of rateable capital value	2016/17 Revenue sought \$
Wellington city	0.00008	42,090
Lower Hutt city	0.02046	3,528,870
Upper Hutt city	0.00902	609,724
Porirua city	0.00034	27,604
Kapiti Coast district	0.01151	1,251,734
Carterton district	0.00107	22,784
Total district-wide river management rate		5,482,806
Greytown ward	0.01719	88,955
Total river management rates based upon capital value		5,571,761
Targeted rate: River management based on land value	2016/17 Cents per \$ of rateable land value	2016/17 Revenue sought \$
Featherston urban: Donalds Creek Stopbank	0.00321	2,513
Total river management rates based upon land value		2,513
Total river management rates		5,574,274

Note:

¹ 11 Rural properties in the Tararua District are within the boundaries of the Wellington region

Note that all figures on this page exclude GST

Rates funding impact statement		
Targeted rate: Public transport	2016/17 Cents per \$ of rateable capital value	2016/17 Revenue sought \$
Wellington city		
Downtown city centre business	0.30498	23,217,685
Urban	0.02962	12,571,046
Rural	0.00762	44,078
Lower Hutt city		
Urban	0.06234	10,578,583
Rural	0.01591	44,145
Upper Hutt city		
Urban	0.06786	4,103,922
Rural	0.01726	123,054
Porirua city		
Urban	0.07153	5,460,158
Rural	0.01825	96,311
Kapiti Coast district		
Urban	0.02952	2,720,769
Rural	0.00766	127,074
Masteron district		
Urban	0.00964	224,904
Rural	0.00278	65,109
Carterton district		
Urban	0.01736	117,439
Rural	0.00467	68,256
South Wairarapa district		
Urban	0.02234	230,930
Rural	0.00582	145,080
Total public transport rate		59,938,543
Targeted rate: Warm Greater Wellington Based on extent of service provided	2016/17 Percentage of service provided	2016/17 Revenue sought \$
For any ratepayer that utilises the service	15.000%	3,089,000

Targeted rate: Stadium purposes	2016/17 Cents per \$ of rateable capital value	2016/17 Revenue sought \$
Wellington city		
Business	0.00482	549,874
Residential	0.00267	1,031,783
Rural	0.00134	7,760
Lower Hutt city		
Business	0.00411	136,198
Residential	0.00278	379,962
Rural	0.00222	6,154
Upper Hutt city		
Business	0.00195	21,139
Residential	0.00229	114,255
Rural	0.00075	5,352
Porirua city		
Business	0.00348	33,180
Residential	0.00232	155,196
Rural	0.00071	3,746
Kapiti Coast district		
Urban	0.00128	118,002
Rural	0.00069	11,506
Masterton district		
Urban	0.00169	39,334
Rural	0.00061	14,182
Carterton district		
Urban	0.00154	10,436
Rural	0.00057	8,295
South Wairarapa district		
Urban	0.00186	19,266
Rural	0.00041	10,168
Total stadium purposes rate		2,675,788

Note:

¹ 11 Rural properties in the Tararua District are within the boundaries of the Wellington region

Note that all figures on this page exclude GST

Rates funding impact statement			
Targeted rate: Wellington Regional Strategy	\$ per rating unit	2016/17 Cents per \$ of rateable capital value	2016/17 Revenue sought \$
Wellington city			
Downtown city centre business		0.01076	819,396
Business		0.01076	407,861
Residential – per rating unit	\$14.00		984,550
Rural – per rating unit	\$28.00		22,232
Lower Hutt city			
Business		0.01070	354,710
Residential – per rating unit	\$14.00		503,342
Rural – per rating unit	\$28.00		13,692
Upper Hutt city			
Business		0.01056	112,424
Residential – per rating unit	\$14.00		203,686
Rural – per rating unit	\$28.00		31,444
Porirua city			
Business		0.01059	100,917
Residential – per rating unit	\$14.00		237,118
Rural – per rating unit	\$28.00		16,912
Kapiti Coast district			
Business		0.01056	134,046
Residential – per rating unit	\$14.00		282,436
Rural – per rating unit	\$28.00		72,940
Masterton district			
Business		0.01079	40,892
Residential – per rating unit	\$14.00		108,766
Rural – per rating unit	\$28.00		95,368
Carterton district			
Business		0.01108	11,386
Residential – per rating unit	\$14.00		29,722
Rural – per rating unit	\$28.00		45,864
South Wairarapa district			
Business		0.01089	20,246
Residential – per rating unit	\$14.00		41,888
Rural – per rating unit	\$28.00		75,796
Tararua district – per rating unit	\$28.00		252
Total Wellington regional strategy rate			4,767,886

Targeted rate: River management schemes 1			
		2016/17 \$ per hectare	2016/17 Revenue sought \$
Waingawa	A	140.95666	4,781
	B	91.62181	11,959
	C	70.47833	8,058
	D	63.43054	148
	E	56.38264	9,461
	F	49.33485	1,281
	G	21.14348	989
	H	14.09569	2,379
			39,056
Upper Ruamahanga	A	130.18627	11,231
	B	108.48863	715
	C	86.79088	10,397
	D	65.09314	1,146
	E	43.39539	12,852
	F	21.69775	855
	S	1,222.46011	3,178
			40,374
Middle Ruamahanga	A	125.95900	5,081
	B	104.86110	5,723
	C	83.88890	429
	D	62.94170	7,126
	E	41.99340	1,266
	F	20.97220	6,200
	S	1,269.00540	2,665
			28,490
Lower Ruamahanga	A	60.57413	7,605
	B	51.92065	2,795
	C	43.26718	9,680
	D	34.61380	11,025
	E	25.96033	8,397
	F	17.30685	21,186
	SA	1,518.87700	3,949
	SB	759.43855	1,291
			65,928

Rates funding impact statement			
Targeted rate: River management schemes 1			
		2016/17 \$ per hectare	2016/17 Revenue sought \$
Waiohine – rural	A	44.14080	4,965
	B	36.60170	14,021
	C	29.33920	37,513
	D	22.07300	8,201
	E	14.70500	11,743
	S	736.01300	12,512
			88,955
Mangatarere	A	33.26490	714
	B	31.81910	6,668
	C	26.96530	425
	D	23.86730	1,715
			9,522
Waipoua	A	107.15008	9,375
	B	85.72009	25,744
	C	64.29009	1,443
	D	42.85999	12,739
	SA	3,621.67269	362
	SC	2,164.43164	216
			49,879

Note that all figures on this page exclude GST

Targeted rate: River management schemes 1		2016/17 \$ per hectare	2016/17 Revenue sought \$
Kopuaranga	A2	122.71550	3,197
	A3	110.44410	7,615
	A4	61.35830	692
	A5	42.95090	2,479
	A6	24.54390	1,991
	B2	24.54390	1,504
	B3	22.08960	1,626
	B4	12.27250	114
	B5	8.59100	267
	B6	4.90940	590
	SA	153.57000	768
	SB	76.79000	1,075
			21,918
Lower Taueru	A	3.86733	1,594
	B	0.77347	218
	C	0.38678	69
	S	193.36752	294
		2,175	
Lower Whangaehu	A	18.27595	610
	B	14.62078	952
	C	10.96561	597
	D	7.31034	560
	E	3.65517	637
	S	91.37976	122
		3,478	
Total river management scheme rates 1			349,775

Rates funding impact statement				
Targeted rate: River management schemes 2		2016/17 \$ per dwelling	2016/17 \$ per point	2016/17 Revenue sought \$
Lower Wairarapa valley	A		0.22509	650,254
Development scheme	Sa	18.07235		7,536
	Sb	36.15850		81,791
Total river management scheme rates 2				739,581
Total river management scheme rates				1,089,356

¹ "Separately used or inhabited part" (dwelling) includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual separate use. To avoid doubt, a rating unit that has only one use (ie, it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling)

Note that all figures on this page exclude GST

Rates funding impact statement

Targeted rate: Catchment schemes 1		2016/17 \$ per hectare	2016/17 Revenue sought \$
Whareama	A	3.99750	2,860
	B	1.53750	1,465
	C	0.26910	12,266
	D	-	-
	E	0.19220	3
	F	0.15370	424
			17,018
Homewood	A	1.45200	3,416
	B	1.38450	629
	C	1.21000	4,033
	D	0.17280	303
			8,381
Maungaraki	A	0.84590	2,796
	B	0.39807	1,183
			3,979
Upper Kaiwhata	A	8.41550	353
	B	3.69380	290
	C	0.52560	481
	D	0.31550	561
	E	0.21010	393
	F	0.10510	47
			2,125
Lower Kaiwhata	A	14.04540	923
	B	6.14230	285
	C	0.87740	1,002
	D	0.52650	1,384
	E	0.35100	12
	F	0.17550	49
			3,655
Catchment management scheme 1 rates			35,158

Targeted rate: Catchment schemes 2		2016/17 Cents per \$ of rateable land value	2016/17 Revenue sought \$
Awhea-Opouawe	Land value	0.00013	8,770
Mataikona-Whakataki	Land value within scheme	0.00003	2,664
Catchment management scheme 2 rates			11,434
Targeted rate: Catchment schemes 3		2016/17 \$ per dwelling	2016/17 Revenue sought \$
Awhea-Opouawe	Charge per dwelling	\$114.54 / \$57.27	9,850
Maungaraki	Charge per dwelling	\$29.86	567
Mataikona-Whakataki	Charge per dwelling	\$15.00	1,830
Catchment management scheme 3 rates			12,247
Targeted rate: Catchment schemes 4		2016/17 Cents per metre of river frontage	2016/17 Revenue sought \$
Maungaraki	River frontage	0.02786	1,327
Catchment management scheme 4 rates			1,327
Total catchment management scheme rates			60,166

¹ "Separately used or inhabited part" (dwelling) includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual separate use. To avoid of doubt, a rating unit that has only one use (ie, it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling)

Note that all figures on this page exclude GST

Rates funding impact statement

Targeted rate:		2016/17	2016/17
Pump drainage schemes		\$ per hectare	Revenue sought \$
Te Hopai	A	66.42000	82,800
Moonmoot pump	A	118.56520	27,000
Onoke pump	A	120.85300	86,220
Pouawha pump	A	109.38800	103,426
Total pump drainage scheme rates			299,446
Targeted rate:		2016/17	2016/17
Possum / predator		\$ per hectare	Revenue sought \$
Rural land area			
Land area of 4 or more hectares in all rural classified areas		0.69085	424,000
Total Possum / predator rate			424,000

Note that all figures on this page exclude GST

Targeted rate:		2016/17	2016/17
Gravity drainage schemes		\$ per hectare	Revenue sought \$
Okawa	A	7.00710	1,976
Taumata	A	6.31190	1,834
East Pukio	A	27.74030	3,150
Longbush	A	15.75450	3,437
Longbush	B	7.87730	990
Olahoua	A	32.35740	3,000
Te Whiti	A	9.54170	1,348
Ahikouka	A	27.16640	3,048
Battersea	A	15.03730	2,537
Battersea	B	12.42580	2,428
Battersea	C	9.72450	3,093
Battersea	D	5.87920	898
Battersea	E	5.02800	1,020
Battersea	F	5.06900	357
Manaia	A	25.28085	4,410
Whakawiriwiri	A	11.47640	8,273
Total gravity drainage scheme rates			41,799

FUNDING IMPACT STATEMENT - RATING MECHANISMS

Funding mechanisms	Groups of activities funded	Valuation system	Matters for differentiation/categories of land	Calculation factor
General rate	All except water supply, public transport, Wellington Regional Strategy, Warm Greater Wellington and regional stadium	Capital value	Where the land is situated	Cents per dollar of rateable capital value
Targeted rates				
Public transport	Public transport	Capital value	Where the land is situated and the use to which the land is put	Cents per dollar of rateable capital value
River management	Flood protection	Capital value/land value	Where the land is situated	Cents per dollar of rateable capital value/land value
Stadium purposes	Investments	Capital value	Where the land is situated and the use to which the land is put	Cents per dollar of rateable capital value
Wellington Regional Strategy	Regional leadership	Capital value for business n/a for residential n/a for rural	Where the land is situated and the use to which the land is put	Cents per dollar of rateable capital value Fixed dollar amount per rating unit Fixed dollar amount per rating unit
Warm Greater Wellington	Regional leadership	Extent of service provided	Provision of service to the land	Extent of service provided calculated as a percentage of the service
Possum/predator	Managing our environment	Land area	Where the land is situated and the area of land within each rating unit	Dollars per hectare
Wairarapa river management schemes	Flood protection	Land area/ inhabited parts/services provided	Where the land is situated (in some cases set under s146 of the Local Government (Rating) Act 2002 using approved classification and differential registers) and/or the benefits accruing through the provision of services and in some cases use	Dollars per hectare in the area protected or dollars per point attributed to each rating unit and in some cases a fixed charge per separately used or inhabited part (dwelling) ¹
Wairarapa catchment schemes	Flood protection	Land area/ land value/ inhabited part(s)	Where the land is situated (in some cases set under s146 of the Local Government (Rating) Act 2002 using approved classification and differential registers) and in some cases use and land value	Dollars per hectare or cents per metre of river frontage in the area protected and in some cases a fixed charge per separately used or inhabited part (dwelling) and cents per dollar of rateable land value ¹
Wairarapa drainage schemes	Flood protection	Land area	Where the land is situated (set under s146 of the Local Government (Rating) Act 2002 using approved classification and differential registers)	Dollars per hectare in the area protected

¹ "Separately used or inhabited part (dwelling)" includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use. To avoid doubt, a rating unit that has only one use (i.e., it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling)

DIFFERENTIAL ON THE GENERAL RATE

There are no differentials on GWRC's general rate. GWRC uses an estimate of projected valuation under section 131 of the Local Government (Rating) Act 2002 to recognise that valuation dates vary across the region.

UNIFORM ANNUAL GENERAL CHARGE

GWRC does not set a Uniform Annual General Charge.

FUNDING IMPACT STATEMENT – RATES CATEGORIES

Each rating unit is allocated to a differential rating category based upon location and/or land use for the purpose of calculating general rates or targeted rates based upon capital or land value. As GWRC rates are invoiced and collected by each of the territorial authorities in the Wellington region, Greater Wellington is limited to using rating categories based on those used by each of the territorial authorities. Set out below are the definitions used to allocate rating units into rating categories.

Category 1 – rates based on capital or land value

Location	Use	Description
Wellington city	Wellington city Downtown city centre business ²	All rating units classified as commercial, industrial and business properties within the downtown area boundary, currently shown on the Downtown Levy Area map of Wellington city, as may be amended from time to time by Wellington city
	Wellington city business	All rating units classified as commercial, industrial and business properties in the rating information database for Wellington city outside the Downtown Levy Area map boundary
	Wellington city residential	All rating units classified as base (excluding rural and farm) in the rating information database for Wellington city
	Wellington city urban	All rating units classified as commercial, industrial and business properties in the rating information database for Wellington city outside the Downtown Levy Area map boundary and all Wellington city residential rating units
	Wellington city rural	All rating units sub-classified as rural or farm within the base category in the rating information database for Wellington city
Hutt city	Lower Hutt city business	All rating units not classified as residential, rural or community facilities in the rating information database for Lower Hutt city
	Lower Hutt city residential	All rating units classified as residential or community facilities in the rating information database for Lower Hutt city
	Lower Hutt city urban	All Lower Hutt city business and Lower Hutt city residential rating units
	Lower Hutt city rural	All rating units classified as rural in the rating information database for Lower Hutt city
Porirua city	Porirua city business	All rating units classified as business in the rating information database for Porirua city
	Porirua city residential	All rating units classified as residential in the rating information database for Porirua city
	Porirua city urban	All Porirua city residential and Porirua city business rating units
	Porirua city rural	All rating units classified as rural in the rating information database for Porirua city

² See map on page 118 for Wellington city downtown city centre business area

Location	Use	Description
Upper Hutt city	Upper Hutt city business	All rating units classified as business or utilities in the rating information database for Upper Hutt city
	Upper Hutt city residential	All rating units not classified as rural, business or utilities in the rating information database for Upper Hutt city
	Upper Hutt city urban	All Upper Hutt city business and Upper Hutt city residential rating units
	Upper Hutt city rural	All rating units classified as rural in the rating information database for Upper Hutt city
Kapiti Coast district	Kapiti Coast district urban	All rating units not classified in the rural rating areas for the Kapiti Coast district
	Kapiti Coast district rural	All rating units classified in the rural rating areas for the Kapiti Coast district
Masterton district	Masterton district urban	All rating units not classified as rural in the rating information database for the Masterton district
	Masterton district rural	All rating units classified as rural in the rating information database for the Masterton district
Carterton district	Carterton district urban	All rating units not classified as rural in the rating information database for the Carterton district
	Carterton district rural	All rating units classified as rural in the rating information database for the Carterton district
South Wairarapa district	South Wairarapa district urban	All rating units not classified as rural in the rating information database for the South Wairarapa district
	South Wairarapa district rural	All rating units classified as rural in the rating information database for the South Wairarapa district
	Greytown ward	All rating units classified in the rating area of the Greytown ward in the rating information database for the South Wairarapa district
	Greytown urban	All rating units classified in the urban area of Greytown in the rating information database for the South Wairarapa district. (Prefaced Nos 18400 and 18420)
	Featherston urban	All rating units classified in the urban area of Featherston in the rating information database for the South Wairarapa district. (Prefaced Nos 18440 and 18450)
Tararua district		All rating units within the Tararua district area are classified as being within the boundaries of the Wellington region

Category 2 – rates based on land area

Some rates (either in whole or part) are allocated to additional differential rating categories (based on the area of land, provision of service or location) for the purpose of calculating the possum/predator and Wairarapa schemes targeted rates.

Some schemes have an additional fixed charge per separate use or inhabited part.

Rating units subject to these rates are shown within an approved classification register for each scheme. For more information on whether your rating unit is allocated to one or more of these categories, please contact GWRC's Masterton office.

All rural rating units of four or more hectares are subject to the possum/predator rate.

Category 3 – Lower Wairarapa Valley Development Scheme rate

The Lower Wairarapa Valley Development scheme rate is a targeted rate allocated according to extent of services received (as measured in a points system) and in some cases an additional fixed charge per separately used or inhabited part.

Rating units subject to this rate are shown within an approved classification register for each scheme. For more information on whether your rating unit is located in this area and for the points allocated to your property, please contact GWRC's Masterton office.

Category 4 – Warm Greater Wellington rate

The Warm Greater Wellington rate is a targeted rate set on properties that have benefited from the installation of insulation provided by GWRC in respect of the property. The rate is calculated as a percentage of the service amount until the service amount and the costs of servicing the service amount are recovered.

Category 5 – Wellington Regional Strategy (WRS) rate

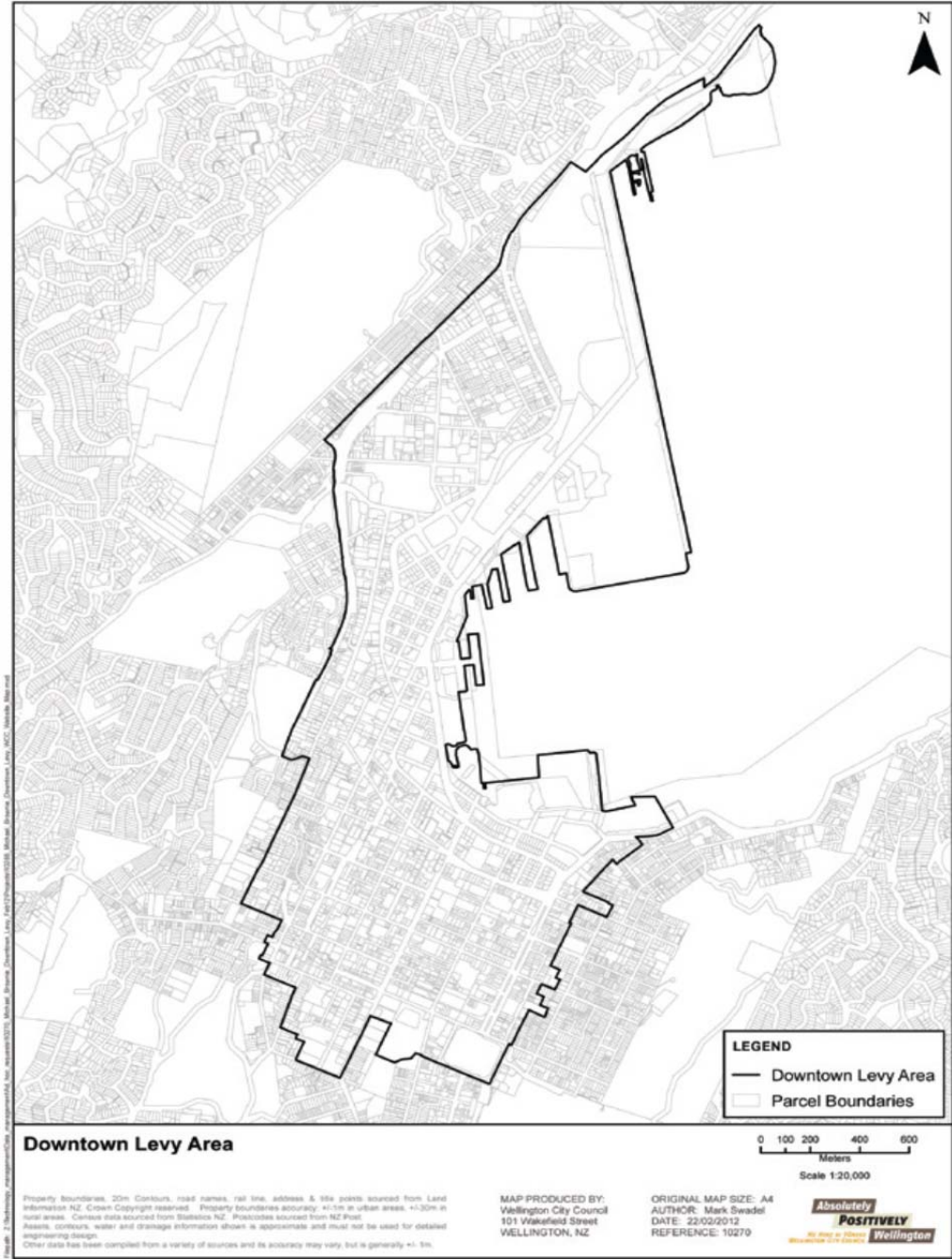
The WRS rate is a targeted rate allocated on a fixed-amount basis for residential and rural ratepayers, and capital value for businesses. For residential properties the fixed amount is \$14 plus GST and rural properties \$28 plus GST. This rate will fund the Wellington Regional Strategy activities and include funding of WREDA, the region's economic development agency. See table below.

Location	Use	Description
Wellington city	Wellington city downtown city centre business	As per differential category 1
	Wellington city business	As per differential category 1
	Wellington city residential	As per differential category 1
	Wellington city rural	As per differential category 1
Lower Hutt city	Lower Hutt city business	As per differential category 1
	Lower Hutt city residential	As per differential category 1
	Lower Hutt city rural	As per differential category 1
Porirua city	Porirua city business	As per differential category 1
	Porirua city residential	As per differential category 1
	Porirua city rural	As per differential category 1
Upper Hutt city	Upper Hutt city business	As per differential category 1
	Upper Hutt city residential	As per differential category 1
	Upper Hutt city rural	As per differential category 1
Kapiti Coast district	Kapiti Coast district business	All rating units used for a commercial, business, industrial purpose or utility network activity in the Kapiti Coast district rating information database
	Kapiti Coast district residential	All rating units located in the urban rating areas except those properties which meet the classification of rural, commercial, business, industrial purpose or utility network activity and all community activities in the Kapiti Coast district rating information database
	Kapiti Coast district rural	All rating units located in rural rating areas except those properties that meet the classification of commercial, business, industrial purpose, utility network or community activity in the Kapiti Coast district rating information database
Masterton district	Masterton district business	All rating units classified as non-residential urban in the Masterton district rating information database
	Masterton district residential	All rating units classified as urban residential in the Masterton district rating information database
	Masterton district rural	As per differential category 1
Carterton district	Carterton district business	All rating units classified as urban commercial, urban industrial or urban smallholding – greater than one hectare in the Carterton district rating information database
	Carterton district residential	All rating units classified as urban residential in the Carterton district rating information database
	Carterton district rural	As per differential category 1
South Wairarapa district	South Wairarapa district business	All rating units classified as commercial in the South Wairarapa district rating information database
	South Wairarapa district residential	All rating units classified as urban in the South Wairarapa district rating information database
	South Wairarapa district rural	As per differential category 1
Tararua district		As per differential category 1

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Wellington City Downtown Levy Area Map

For the purposes of the Wellington City Downtown City Centre Business targeted transport rate, the downtown area refers to the area described by the following Wellington City Downtown Levy Area Map as amended by Wellington City Council from time to time.



SECTION SIX – REGIONAL COUNCILLORS

Regional Councillors

KAPITI COAST

Nigel Wilson
M 021 284 3339
nigel.wilson@gw.govt.nz

LOWER HUTT

Sandra Greig
T 04 586 0847
M 027 640 8681
sandra.greig@gw.govt.nz

Ken Laban
T 04 971 8982
M 029 200 0044
ken.laban@gw.govt.nz

Prue Lamason
T 04 566 7283
M 021 858 964
prue.lamason@gw.govt.nz

PORIRUA-TAWA

Jenny Brash
T 04 233 8217
M 027 354 4233
jenny.brash@gw.govt.nz

Barbara Donaldson
T 04 237 0773
M 021 976 747
barbara.donaldson@gw.govt.nz

UPPER HUTT

Paul Swain
T 04 528 7830
M 021 270 9113
paul.swain@gw.govt.nz

WAIRARAPA

Vacant

WELLINGTON

Judith Aitken
T 04 897 2758
M 027 769 6424
judith.aitken@gw.govt.nz

Paul Bruce
T 04 972 8699
M 021 027 19370
paul.bruce@gw.govt.nz

Sue Kedgley
T 04 384 9123
M 021 270 9088
sue.kedgley@gw.govt.nz

Chris Laidlaw (Chair)
T 04 830 4246
M 027 425 4668
chris.laidlaw@gw.govt.nz

Darren Ponter
T 04 475 9959
M 027 454 0689
darren.ponter@gw.govt.nz