



greater WELLINGTON
REGIONAL COUNCIL
Te Pane Matua Taiao

Your Region Your Plan

Annual Plan
2017/18



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A MESSAGE FROM THE CHAIR

This Annual Plan focuses on building resilience and achieving consensus on the big issues that confront the greater Wellington region. It supports the objectives we outlined in our 10 Year Plan 2015-25, and has been completed after consultation with the regional community.

The 2016 Kaikoura earthquake had a far-reaching impact on our region. It revealed the extent of our vulnerability and also the need to build more resilience into our future.

For Greater Wellington Regional Council the effect of the earthquake was felt most strongly in terms of the impact upon CentrePort and adjacent properties. We lost some valuable income from the port following the quake but CentrePort and the council's management team have been working hard to restore the port's role as a vital component of the region's infrastructure and an important driver of economic growth.

We have a growing understanding of the impacts of climate change and how we can best respond to these. The Council has a robust strategy to reduce its own emissions and is spearheading a regional approach to managing the process of adaptation particularly our waterways and coastal zones.

We have a range of significant environmental responsibilities, all focused on protecting the Wellington region's natural capital. We work closely with local communities to identify environmental hotspots around the region, and then forge agreements on how to deal with them. We expect to complete the process of approving the proposed Natural Resources Plan for the region during this year.

Partnerships are crucial to the Regional Council. We work closely with the region's councils and central Government on resilience activities. We also work with the councils on transport and environmental issues. The quality of this collaborative activity is much higher than it has been in the past.

Progress is being made on redesigning the transport networks under the Let's Get Wellington Moving programme. This is a once-in-a-lifetime opportunity to get this right and prepare the way for a central city that focuses on public transport, pedestrians and cyclists as well as cars. We are also working to transform the region's public transport system with new bus routes, integrated ticketing, lower emission buses and a new, simpler fare structure.

We want to ensure we get the best possible value from every ratepayer's contribution. Our rates increase is down from the 9.3 percent proposed in the 10 Year Plan 2015-25, to an average of 5.6 percent. The vast majority of this increase is investment in future proofing the region's infrastructure, to make life more secure and more liveable for its entire population.

A handwritten signature in black ink that reads "Chris Laidlaw". The signature is written in a cursive, flowing style.

Chris Laidlaw



A MESSAGE FROM THE CHIEF EXECUTIVE

Greater Wellington Regional Council invests in the future of our region. The region is growing, we are facing an increasing pace of change and investment is required to support our future.

We continually invest in infrastructure to make our communities resilient. It provides essential services to our communities and facilitates economic growth. We invest to protect families, communities and businesses from the impacts 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 stop bank or consulting with mana whenua, the common purpose to all our activities is making the greater Wellington region even greater.

Our 10 Year Plan, published in 2015, sets our priorities and planned activities from 2015 to 2025. This Annual Plan for 2017/18 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 our work to improve water quality.

The changes set out in this Annual Plan 2017/18 respond to our changing environment and help ensure we stay focused on the areas that will make the most differences 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.

A handwritten signature in black ink that reads "Greg Campbell". The signature is written in a cursive style and is positioned above a horizontal line.

Greg Campbell



WORKING FOR THE REGION

Greater Wellington Regional Council is committed to ensuring an extraordinary future for our region. We will continue to invest in the infrastructure and services that are important to you and manage changes in our environment. The November 2016 earthquake highlighted how successfully the region is able to respond to disruptions and was a good reminder that we need to be adaptable.

Our Annual Plan 2017/18 reflects the ongoing need to invest in resilience while also ensuring that we make the best decisions and provide cost effective solutions.

We remain committed to the key priorities set out in our 10 Year Plan 2015-25:

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, tsunamis, or extreme weather events

Keeping our environment clean with a focus on water quality, air quality, land use and pests.

To help guide the work we do, Greater Wellington Regional Council aligns its work to five community outcomes. How each activity of Greater Wellington contributes to these outcomes is detailed in our 10 Year Plan 2015-25.

**STRONG
ECONOMY**



A thriving and diverse economy supported by high quality infrastructure that retains and grows businesses and employment.

**CONNECTED
COMMUNITY**



People are able to move around the region efficiently and our communications networks are effective and accessible.

**RESILIENT
COMMUNITY**



A regional community that plans for the future, adapts to climate change and is prepared for emergencies.

**HEALTHY
ENVIRONMENT**



An environment with clean air, fresh water, healthy soils and diverse ecosystems that supports community needs.

**ENGAGED
COMMUNITY**



People participate in shaping the region's future, take pride in the region, value the region's urban and rural landscapes, and enjoy the region's amenities.



TAKING CARE OF
THE THINGS THAT
REALLY MATTER



Getting you to the places you need to go

We have an extensive public transport system, providing an easy means to get you to the places you need to go. Public transport is an important part of a comprehensive and efficient transport system that can take you where you need to go in a timely and hassle-free manner.

We operate a network of five passenger rail lines, more than 100 bus routes, more than 200 school bus services, harbour ferry services, as well as discounted taxi services to people who have difficulty using our regular services.

We know you want our region to have a world-class public transport system, so this year we are preparing for:

- simplified routes, fares and better timed connections between services meaning easier and faster journeys for you
- comfortable travel in modern, emissions efficient bus and rail fleets
- simplified fares making it easy to know what to pay
- one Metlink brand, making public transport easy to recognise and navigate
- easier and timelier access to travel information, giving you more certainty about your journey
- contracts with operators that improve reliability and punctuality, meaning less waiting for you

- a single smart card for buses and eventually, a single electronic payment system for travel on buses, trains and harbour ferries, to make paying and getting around even easier and more convenient.

Let's Get Wellington Moving

In the wake of the Basin Reserve decision we embarked on a joint initiative with the Wellington City Council and the New Zealand Transport Agency to take a fresh look at the transport system in central Wellington.

As the name—Let's Get Wellington Moving—suggests, it's about the things that cause the biggest frustrations—congestion and traffic issues—as well as safety issues, and creating a world-class public transport system that meets your future needs and supports the way we want our city to look, feel and function.

Let's Get Wellington Moving is expected to release a short list of potential scenarios for public consultation before the end of 2017.



Working with communities to maintain and enhance water quality

Water is essential, vital to our health, quality of life and economic prosperity.

However the quality of fresh water, in both rural and urban areas, is at risk. We take this very seriously and are working with communities to maintain and enhance water quality across our region.

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 Waitua (catchment) committees which seek to learn how communities value water and to translate that understanding into relevant water management policies.

Collaborative modelling supports Waitua Committee processes by providing scientific, cultural and community knowledge, data, and information to better understand the impacts and consequences of changes in land and water management.

We realise there is a strong community expectation around these processes, along with some concern that things might not be moving fast enough. We are committed to working with communities and to ensuring we get things done.



Ensuring long-term resilience at a regional level

The November 2016 earthquake affected the region in many ways and has certainly influenced our 2017/18 plan. Not only has the earthquake had a financial impact on Greater Wellington Regional Council through the loss of budgeted income, it has also brought a sharper focus to ensuring longer-term resilience at a regional level.

With this increased focus the *Wellington LifeLines Group* are fast-tracking the development of a Business Case to identify where investment could be made in Wellington's utility networks to enhance resilience. This Group consists of local and central government representatives as well as the utility companies who all play a role in keeping the region operational during times of catastrophic events. The aim of the Group is to have an agreed case for investment by December 2017. We anticipate that the Group's outputs will have an influence on our infrastructure investment for the future.

RiverLink Project

Riverlink will provide numerous benefits for the community, aligning efforts to make our core regional infrastructure resilient with improving our environment and facilitating economic growth.

Greater Wellington Regional Council, Hutt City Council and the New Zealand Transport Agency are

working together on the Riverlink project to design and provide better flood protection, transport and lifestyle options for Lower Hutt by:

- improving Hutt Valley's resilience to flood hazards and protecting more than \$1 billion in assets from flooding
- improving capacity of the river channel and upgrading or replacing structures in river corridor to better manage flooding and erosion
- improving the sustainability of the river system and enhancing the health of the river
- creating further opportunities for recreation and improving amenity
- improving movement to and through the city and to and along the river for pedestrians, wheelchair users, cyclists and improving links for public transport and motor vehicles
- supporting revitalisation of Hutt City CBD.



Responding to climate change

Climate change is the biggest environmental challenge we face and will affect everyone in the region. Through our Climate Change Strategy, we are committed to taking a proactive approach to managing the risks associated with a changing climate, to reducing the emissions generated through the Council's activities, and to contributing to the enhanced resilience of the region by factoring climate change into our decision making processes.

Working with our partners and stakeholders, including other councils in the region, business, iwi, government and community organisations, we are prioritising initiatives that reduce regional greenhouse gas emissions, increase energy efficiency and move us to a smart, innovative, low-carbon economy.

We are also using the best scientific information to plan for the future, using adaptation planning to manage risks from climate change-related impacts and increase resilience. This includes the effects of sea level rise, and increased frequency of extreme weather events such as storms and droughts.



Providing value for money

Providing value for money means that we invest in what we assess as the most appropriate solutions for the region in a cost effective and efficient manner. We need to make sure any decision we make on how to invest our funds is the right one. This over-arching consideration has led us to reprioritise some of our work for 2017/18.

For 2017/18 our rates increase has reduced from the 9.3% proposed in the 10 Year Plan 2015-25, to 5.6%. Much of this increase is made up of committed projects that the regional community has already supported, particularly our continuing programme of investment in regional infrastructure.

This includes continuing to pay back the debt we incurred when we purchased the new Matangi train fleet, continuing to invest in the transformation of the public transport system and investing in projects like RiverLink, which aims to protect the Hutt Valley community from floods. We also need to fund the gap resulting from the reducing Funding Assistance Rate (FAR) we receive from the New Zealand Transport Agency for rail services; as well as fund the costs of a new loan (at commercial rates) to replace the existing interest free loan from the Crown for rail infrastructure.

In the last few years there have been a number of external and internal drivers that have helped us

to achieve the lower rates increase. These include a reduction in interest rates and the consequent reduction in our borrowing costs, changes in revenue and reduced operational and capital expenditure including: growth in rail revenue, changed timing of fare initiatives and projects (e.g. integrated fares and ticketing, rail heavy maintenance and other capital expenditure initiatives), and lower fuel and trolley bus costs.

The Council is currently in a strong financial position, which has allowed us to manage financial shocks that come our way. The earthquakes this year will result in a substantial impact on CentrePort, in which we are a majority shareholder. We will manage this impact to reduce any consequential impacts on ratepayers.

It is important to us that we manage the funds of the Council well so that we can maximise the value we get from spending your money on the things that matter now and for the future generations.

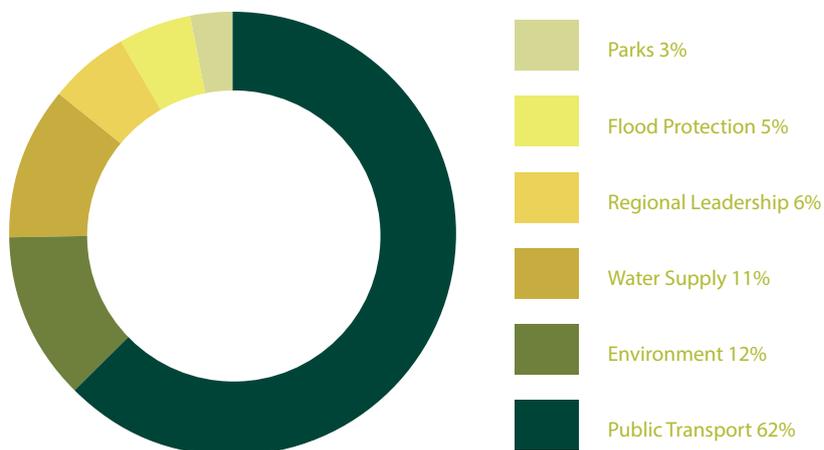


The Council's Financial Strategy is:

- sustainable investment in our future through long term infrastructure and key regional services
- ensuring that ratepayers' funds are carefully managed in a prudent manner
- ensuring we juggle priorities effectively and invest in areas that give the most benefit
- value for money and more effective and efficient ways of delivering services to the community.

Where do the dollars go?

*Cost of activity includes non-cash items such as depreciation, gain/loss on sale and fair value movements.



Rates and levies

The following table displays average rates for each 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	\$551,000	\$21	\$0.40	\$482	\$9.27
Lower Hutt city	\$471,000	\$44	\$0.85	\$597	\$11.48
Upper Hutt city	\$414,000	\$41	\$0.79	\$516	\$9.92
Porirua city	\$488,000	\$42	\$0.81	\$564	\$10.85
Kapiti Coast district	\$390,000	\$21	\$0.40	\$393	\$7.56
Masterton district	\$252,000	(\$9)	(\$0.17)	\$150	\$2.88
Carterton district	\$264,000	(\$8)	(\$0.15)	\$184	\$3.54
South Wairarapa district	\$282,000	(\$10)	(\$0.19)	\$206	\$3.96

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	\$748,000	\$29	\$0.56	\$401	\$7.71
Lower Hutt city	\$649,000	(\$5)	(\$0.10)	\$457	\$8.79
Upper Hutt city	\$643,000	(\$11)	(\$0.21)	\$404	\$7.77
Porirua city	\$982,000	(\$4)	(\$0.08)	\$520	\$10.00
Kapiti Coast district	\$603,000	\$23	\$0.44	\$392	\$7.54
Masterton district	\$606,000	(\$16)	(\$0.31)	\$262	\$5.04
Carterton district	\$730,000	(\$27)	(\$0.52)	\$331	\$6.37
South Wairarapa district	\$807,000	(\$32)	(\$0.62)	\$356	\$6.85
Tararua	\$567,000	\$35	\$0.67	\$224	\$4.31

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	\$2,003,000	\$66	\$1.27	\$1,709	\$32.87
Wellington city - CBD	\$2,309,000	\$671	\$12.90	\$8,606	\$165.50
Lower Hutt city	\$1,611,000	(\$36)	(\$0.69)	\$1,881	\$36.17
Upper Hutt city	\$1,621,000	(\$31)	(\$0.60)	\$1,849	\$35.56
Porirua city	\$1,375,000	(\$9)	(\$0.17)	\$1,473	\$28.33
Kapiti Coast district	\$913,000	\$38	\$0.73	\$865	\$16.63
Masterton district	\$698,000	(\$31)	(\$0.60)	\$388	\$7.46
Carterton district	\$414,000	(\$52)	(\$1.00)	\$267	\$5.13
South Wairarapa district	\$610,000	(\$20)	(\$0.38)	\$413	\$7.94

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 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 10 year plan available at <http://www.gw.govt.nz/long-term-plan-2015-25/>.

About the Annual Plan

The Council is guided by legislation, including the Local Government Act 2002 which directs local authorities to meet the current and future needs of communities for good-quality infrastructure, services and performance of regulatory functions, in a way that is most cost-effective for households and businesses. The Local Government Act also requires local authorities to be accountable and to ensure that their decision-making processes are open to the influence and scrutiny of their communities.

The 2017/18 Annual Plan is an annex to our long term planning document - the 10 Year Plan 2015-25. Every three years we review our long term plan which outlines our work programme to meet the needs of the region, and when we have changes in between, these changes are captured in our annual plan.

In this Annual Plan we outline the changes we have made for the 2017/18 year from what has been detailed in the 10 Year Plan 2015-25. During the period 16 March to 12 April 2017 we consulted with the community on five changes being proposed. This annual plan is a result of that process and the community feedback.

Section 95 of the Local Government Act 2002 describes the requirements for the annual plan.

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 2017/18 financial year.



ACTIVITIES OF THE GREATER WELLINGTON REGIONAL COUNCIL

10 Year Plan: Section Five, p93

The Greater Wellington Regional Council 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 3 – the 2017/18 year.



Regional Leadership



10 Year Plan: Section Five, p96

Working to ensure that the region has a sustainable and resilient future, we are actively involved in a range of issues that will and do impact on the region, and we do this by partnering with others. Greater Wellington Regional Council works in partnership with other local authorities on economic development, transport planning and programmes, climate change adaptation and mitigation, 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.

This activity covers

- Relationships with Māori
- Wellington Regional Strategy
- Regional Transport Planning and Programmes
- Climate Change Planning and Activities
- Regional Initiatives
- Emergency Management
- Democratic Services

Key areas of focus for the year

Let's Get Wellington Moving

In the wake of the Basin Bridge decision we embarked on a joint initiative with the Wellington City Council and New Zealand Transport Agency to take a fresh look at the transport system in Central Wellington. Let's Get Wellington Moving is developing a shortlist of scenarios for the future development of the transport network. These will be the subject of public consultation later in 2017.

Climate Change considerations

We are continuing to implement our Climate Change Strategy and Action Plan. This involves a suite of initiatives across adaptation and mitigation. We are aiming to reduce our own emissions as well as working in partnership with others to transition to a low carbon regional economy. We are also coordinating science efforts to better understand the impacts of climate change on our region and develop strategies to future proof infrastructure and communities.

Regional Emergency Management Services

We will be working with our city, district council partners and the Wellington Regional Emergency Management Office (WREMO) to review the response to the November 2016 earthquake. This will enable us to be even better prepared for a major emergency event in the future.

Wellington Lifelines Resilience Project

The Wellington region is vulnerable to a major earthquake and the impacts on our economy and communities could be severe. The Wellington Lifeline organisations (Greater Wellington Regional Council, local councils and network utility companies) are working with Central Government to develop options to significantly increase the resilience of the region's network infrastructure in the event of a magnitude 7.5 earthquake. The first stage of the project, the development of a Programme Business Case, will be finalised by early in 2018.



Public Transport



10 Year Plan: Section Five, p119

Affordable and high quality 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. Our goal is to become world class and to increase public transport use across the Wellington region.

Greater Wellington Regional Council manages and funds public transport services across Wellington region, including trains, buses and the harbour ferry.

This activity covers

- Metlink public transport network planning
- Bus and ferry operations and asset management
- Rail operations and asset management
- Metlink fares and ticketing, customer services and satisfaction
- Total Mobility

Key areas of focus for the year

Preparing for new bus contracts

New performance-based bus contracts are expected to commence in mid-2018. Following a competitive tender, Transit Group Ltd has been selected as the operator of eight contracts and Uzabus has been selected as the operator for the bus contract in Kapiti. We will be negotiating with incumbent operators (NZ Bus and Mana) for the units they will continue to operate. We will be working with all operators to ensure a smooth transition, while transforming our processes and systems so we're ready for the new contracts.

Ensuring continued improvements in rail

We will continue to work with our new operator on improvements to punctuality, increasing capacity and better communication during times of disruption. We will work in partnership with KiwiRail, Transdev, the New Zealand Transport Agency and Ministry of Transport to commence delivery of the critical replacement of the Hutt Valley overhead power system, improvements to Wairarapa services and determine the scope and funding requirements to deliver a fit for purpose network and world class rail service.

Developing an integrated fares and ticketing system

We're working closely with the New Zealand 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
- planning how to transition from the current fares and products to a new and simplified fare structure.

The planned timeframe for integrated fares and ticketing is beyond our start date for the new Wellington bus network in mid-2018. As an interim measure, we're extending the Snapper ticketing system to all buses in the Wellington region.

Getting ready for the new Wellington city bus network

We continue to work to maintain existing assets, and to prepare infrastructure and customer information for the implementation of the new Wellington city bus network that will be introduced in 2018 providing:

- increased all day frequency with greater access to high frequency services
 - increased coverage to provide more evening, day and weekend services to many suburbs
 - more capacity at peak times
 - more reliable timetables.
-

Changes to the plan

In our Annual Plan 2016/17, we advised you of some of the adjustments we needed to make for that year which have a flow-on effect for the 2017/18 year. These include delays in implementing an integrated fares and ticketing system, changing the timing of our programme to deliver improvements for the bus network system, upgrading the functionality of the Realtime Passenger Information system in time for the new Wellington City bus network, and replacing the Ava Station pedestrian bridge.

For 2017/18 we are also planning to change the timing of programmed heavy rail maintenance and carriage refurbishment. These changes have an impact on our overall capital expenditure programme. We anticipate that more in-depth planning will allow us to outline a revised programme for these activities as part of the next long term plan.

Public Transport Fares

There are no changes to public transport fares for the 2017/18 year. Our 10 Year Plan 2015-25 provided an allowance for free transfers and off peak discounts, and fare structure review initiatives from 2017/18. We intend to bring in a package of fare initiatives in 2018/19 to align with the new bus contracts. The fare initiatives will be based on a review of the fare policies outlined in the Regional Public Transport Plan, and will consider off-peak discounts, fare discounts for tertiary students, transfer discounts and changes to one fare boundary, standardisation of fare rules and any fare increases that may be required. Fare changes will form part of a comprehensive package of improvements to how public transport is delivered to our customers. Other changes include new bus networks, new bus operating contracts, new buses and new ticketing systems. We will also be considering how the package of fare changes is funded.

Improving your peak hour commute on the rail network

In the next few years we have planned to reorganise peak rail services to spread the load, and match capacity and frequency with peak demand. To achieve this outcome there will first need to be changes to the rail network including replacement and renewal of life expired elements of core infrastructure like track and signalling across the network, and the overhead power system on the Hutt and Johnsonville lines. Once core network elements are fit for purpose we want to build capacity and resilience sufficient to provide a world class transport service through to at least 2030.



Verkeersdienst

DOOR OPEN

Rechargeable battery indicator

KENDAL



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 Regional Council provides (through Wellington Water Ltd) 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.

This activity covers

- Water quality
- Water availability
- Sustainability

Key areas of focus for the year

Source water quality

An investigation into algae detected in the Stuart Macaskill lakes in Te Marua, showed that the type of algae present is capable of producing toxins under certain circumstances. An investigation into mitigation options resulted in an update to the lake algae management plan and the water quality monitoring regime. In addition, a project was initiated to modify the treatment process at Te Marua Water Treatment Plant to improve the capability of the treatment plant to remove cyanotoxins and taste and odour compounds should they be detected in the lake water. At this stage all water quality samples have been clear of toxins.

Routine testing of the raw water at Waterloo Water Treatment Plant detected bacteria that should not be present in a secure groundwater source such as the Waiwhetu aquifer. This started about a month after the November 2016 Kaikoura earthquake. There is now additional testing and chlorination of the water to ensure the water is safe to drink. A project to improve the treatment process at Waterloo Water Treatment Plant via ultraviolet light disinfection has also been initiated. A collaborative investigation between Greater Wellington Regional Council and Wellington Water was established to help determine the cause of the change in aquifer water quality and whether additional source protection measures are appropriate.

Resilience

The flooding that followed the earthquake of 14 November 2016 resulted in significant damage to one bulk water pump station and scouring at a pipe crossing on the Kaitoke trunk main. Bulk supply was maintained following these events, however the subsequent aquifer water quality issues have presented a significant challenge.

The Wellington Water Supply Resilience Strategy has identified a need to improve our ability to provide water to people following a major earthquake until the water supply network is reinstated. Wellington Water established a Community Infrastructure Resilience (CIR) project to improve the community's preparedness for an earthquake within the next year. This includes Greater Wellington Regional Council investment in mobile water abstraction and treatment equipment.

Exploratory drilling and testing at a number of sites off the Miramar peninsula began in 2016/17 and will continue into early 2017/18.

Changes to the plan

In response to our changing environment our plan for 2017/18 has been altered from that outlined in the 10 Year Plan 2015-25. Whilst these changes mean some deferrals in our capital programme, we envisage accelerating our programme to improve resilience in future years.

Cross Harbour Pipeline

There will be a delay in the Cross Harbour pipeline project pending further investigations into the aquifer beneath the Wellington harbour near Miramar as an option.

Water treatment plant chemical storage tanks

A new project to replace chemical storage tanks at the water treatment plants is proposed. Replacement of aging chemical storage tanks is a requirement of Worksafe New Zealand under the Hazardous Substances and New Organisms Act 1996.

Community Infrastructure Resilience (CIR)

This replaces previous plans for new projects to address reservoir seismic resilience in Ngauranga and Wainuiomata.

The project includes investment in mobile water abstraction and treatment equipment. CIR investment is a higher priority than the previously proposed reservoir seismic strengthening due to the humanitarian requirement after a significant seismic event.

Kaitoke intake and strainer improvements

This project is being deferred to allow completion of further investigations and value engineering work completed.

Kaitoke main on Silverstream bridge

Replacement of the pipeline on the Silverstream bridge has been deferred to allow resource consents to be obtained.

Wainuiomata pipeline

The proposed replacement of the Wainuiomata main will be deferred while value engineering work is completed.

Takapu emergency storage reservoir

We will be looking at alternative proposals to replace the proposed 200 million litre storage reservoir at Takapu utilising a new water source, as well as investigating duplication of the pipeline network to provide additional resilience.

Touch voltage

A new project will address a touch voltage, which is an electrical health and safety risk on our water pipelines.

Waterloo Water Treatment Plant

Investigations to improve the water treatment process at Waterloo Water Treatment Plant are currently in progress in response to the aquifer water quality issues being experienced. It is likely that capital improvements will need to be implemented in 2017/18; however this is expected to be funded through re-prioritising existing budgets.





Environment



10 Year Plan, Section Five, p123

Greater Wellington Regional Council is responsible for managing the use of the region’s natural resources. We do this through regional policies, plans and resource consents. We help the community to maintain and restore ecosystems and manage land sustainably. We monitor and report on the state of the environment, manage environmental threats like pest plants and animals, and provide a 24 hour pollution response service. We also look after the region’s harbours.

We are committed to working with iwi, landowners, key stakeholders and partners and our communities to improve outcomes. We recognise the need to manage catchments as a whole and that land use throughout a catchment affects the water quality within it.

This activity covers

- Resource management
- Land management
- Biodiversity management
- Pest management
- Harbour management

Key areas of focus for the year

Proposed Natural Resources Plan

Working with iwi and our communities, we are developing a single plan that guides how to manage our natural and physical resources for future generations.

It's not a 'one size fits all' approach. Rather, it takes into account the diversity of the region and the different communities, and provides both regulatory and non-regulatory methods to manage our natural resources. Our focus will now shift from developing the plan to running formal hearings so independent commissioners can hear and make decisions on submissions to the plan, and working with our communities on how we'll implement the plan. In the meantime we're not standing still – we have started working with landowners to protect wetlands and other sites of significance to our region.

Caring for our environment

We undertake a range of activities to ensure our water, land and air is not only safe for our everyday enjoyment but also that it is sustainable for generations to come.

We work in the region to reduce the discharge of sediments and nutrients from a range of land uses and help landowners keep the land productive by promoting soil conservation and helping them farm sustainably. We also work with city and district councils and the Department of Conservation to keep the pests in our region under control and ensure the natural habitat of the region can and will survive.

We also help keep our harbours safe so all water users, commercial and recreational, can enjoy our marine environment.



Flood Protection and Control Works



10 Year Plan, Section Five, p178

Flooding is one of the Wellington region's greatest hazards. Greater Wellington Regional Council 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 protections works needed in our communities.

This activity covers

- Flood protection and control works
- Understanding flood risk
- Maintaining flood protection and control works
- Improving flood security

Key areas of focus for the year

Floodplain Management Plans – investigation

The key focus for investigation for the year will be progressing the Waiohine and Te Kauru Floodplain Management Plans in Wairarapa. In addition to this we will also continue to provide flood hazard advice and the flood warning service to the community.

Floodplain Management Plans – implementation

The main focus for implementation of our Floodplain Management Plans will be the development of the preliminary design plans for the Riverlink Project in the Hutt Valley. We will also be completing the Jim Cooke Park Stopbank in Waikanae, commencing design of the Pinehaven Stream Channel Improvements in conjunction with Upper Hutt City Council, and continue improvements to the Lower Wairarapa Valley Development Scheme.

Changes to the plan

Fast-tracking flood protection in the Hutt

As part of the RiverLink Project, we need to purchase properties to redevelop the land into stop banks for flood protection. Purchasing these properties as soon as possible allows those affected to re-establish their homes or businesses in safer areas with greater certainty. Due to the higher than anticipated uptake by landowners and increasing property values, we have brought forward planned expenditure into the 2017/18 year.

Change in timing for flood management plans

In our Annual Plan 2016/17 we outlined a delay to our flood management plans. Extended consultation on the development of the Flood Management Plans for Waiohine and Te Kauru, has had a flow-on effect of delaying the recommencement of the Waiwhetu Flood Management Plan till 2018/19.



Parks



10 Year Plan, Section Five, p194

Greater Wellington Regional Council manages a network of regional parks and forests for the community's use and enjoyment, including unique natural areas for recreation and where significant conservation values are protected and enhanced.

We provide a wide variety of services and facilities for visitor recreation activities including roads, tracks, picnic facilities, an extensive events programme and habitat restoration activities involving many volunteers. We work with mana whenua and community groups to protect and enhance the natural and cultural values of our regional parks and forests.

Our work covers

- Parks planning
- Visitor services
- Facilities asset management

Key areas of focus for the year

Queen Elizabeth Park Entranceway redevelopment

The coastal setting, plentiful food and central location of what is now Queen Elizabeth Park have long attracted people to the area. Maori have been living here for hundreds of years and there were major settlements at Wainui and Whareroa up until the mid-1800s.

Maintaining and preserving this historical area, and providing a positive experience for visitors means this year we are focusing on the redevelopment of the entranceway to the park, including:

- a new visitor hub including ranger office, meeting room, information area and public toilets
- developing better vehicle, walking and cycling connections with the main highway and park attractions
- re-landscaping the surrounds with new plantings and story-telling of the history and features of the park.

Ongoing asset replacement, upgrade and maintenance programme across the parks

To ensure easy and safe access to the many recreational facilities our parks offer it is critical that we carry out regular maintenance and upgrades. Our maintenance programme this year includes:

- a new bridge to be built over the Wainuiomata River at Baring Head, East Harbour Regional Park
 - upgrading the Battle Hill Summit walking track
 - at Belmont Regional Park building a multi-use track from Hill Road to Old Coach Road and a mountain biking skills area at the Stratton St entrance
 - the Kaitawa Pou lookout area at Whitireia Park will be developed to formalise carparking, provide seating and protect the pou.
-

COUNCIL-CONTROLLED ORGANISATIONS AND INVESTMENTS

10 Year Plan, Section Six, p203

Greater Wellington Regional Council 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 Greater Wellington Regional Council's significant portfolio of investments.

Greater Wellington Regional Council's approach in managing investments is to regularly assess the expected returns on those investments and being mindful of the risk and balancing these against returns received. We recognise that, as a responsible public authority, investments should be held for the long-term benefit of the community, with any risk being managed appropriately and that those risks are likely to be outweighed by the returns received. From a risk management point of view, Greater Wellington Regional Council is well aware that investment returns to the rate line are exposed to the success or otherwise of two main investments – the WRC Holdings Group (including CentrePort Ltd) and our liquid financial deposits.

Our investments and particularly the investment in CentrePort undergo a periodic detailed review to ensure that they continue to fit within the Local Government Act and its amendments.

Investments offset the needs for rates revenue. Regional rates would need to be set higher without the revenue from Greater Wellington Regional Council's investments.



Treasury management

Greater Wellington Regional Council's treasury management is carried out centrally to maximise our ability to negotiate with financial institutions.

We then on-lend these funds to activities that require debt finance. This allows the true cost of debt funding to be reflected in the appropriate areas. Any surplus is used to offset regional rates.

Local Government Funding Agency

Greater Wellington Regional Council is a founding shareholder in the Local Government Funding Agency (LGFA). The LGFA was established by statute in December 2011, and Greater Wellington Regional Council has a \$1.86 million share investment. The LGFA has been set up to assist local authorities to access wholesale debt at better rates than they could expect on their own. Greater Wellington Regional Council will source its term debt requirements from the LGFA and receives an annual dividend. As part of the arrangement, Greater Wellington Regional Council has guaranteed the debt obligations of the LGFA along with the other shareholders of the LGFA in proportion to its level of rates revenue. Greater Wellington Regional Council believes the risk of this guarantee being called on is extremely low, given the internal liquidity arrangements of the LGFA, the lending covenants of the LGFA and the charge-over rates the LGFA has from councils.

Wellington Water Limited

Wellington Water Limited was established in September 2014 and combines the operation of Capacity Limited and the former Water Division of Greater Wellington Regional Council. Greater Wellington Regional Council is a 20% shareholder of the company. Through the creation of the new entity all functions around the management of fresh water, waste water and storm water are combined in one entity. Other shareholders are Wellington City Council, Hutt City Council, Upper Hutt City Council and Porirua City Council.

Liquid financial deposits

Greater Wellington Regional Council holds \$33 million in liquid financial deposits as a result of selling our interest in CentrePort Ltd to one of its wholly owned subsidiaries, Port Investments.

Greater Wellington Regional Council regularly reviews the rationale for holding these liquid financial deposits, taking into account the general provisions of our Treasury Risk Management Policy, including Greater Wellington Regional Council's attitude to risk and creditworthy counterparties.

Contingency Investments for Flood Protection and Water

Greater Wellington Regional Council holds a number of short term contingency investments. They have been established with the purpose of having funds available to pay for the uninsured part of the damage to water and flood protection assets in case a disaster (earthquake, major floods etc.) strikes.

Material Damage and Business Interruption Fund

The residual proceeds from the sale of the cutting rights to the Councils forests which were sold in July 2014 have been used to establish the bulk of the Material Damage and Business Interruption Fund. This Fund enables the Council to retain higher insurance excesses, and thus lower insurance premiums, with the comfort of having funds available to meet a seismic event.

Administrative properties

Council's interests in the Upper Hutt and Mabey Road depots and the Masterton office building are grouped to form the investment category Administrative Properties.

Civic Financial Services Ltd and Airtel Ltd

Greater Wellington Regional Council has minor equity interests in Civic Financial Services Ltd and Airtel Ltd. These investments are owned directly by Council rather than via the WRC Holdings Group.

Wellington Regional Economic Development Agency (WREDA)

The Agency has brought together the tourism, events, venues and economic services of Wellington City Council (WCC) and Greater Wellington Regional Council to provide a single economic development agency for the Wellington region. WREDA is owned 80% by WCC and 20% by Greater Wellington Regional Council

Wellington Regional Stadium Trust (WRST)

The WRST is a regional facility that provides a high-quality, multi-purpose venue for sporting and cultural events.

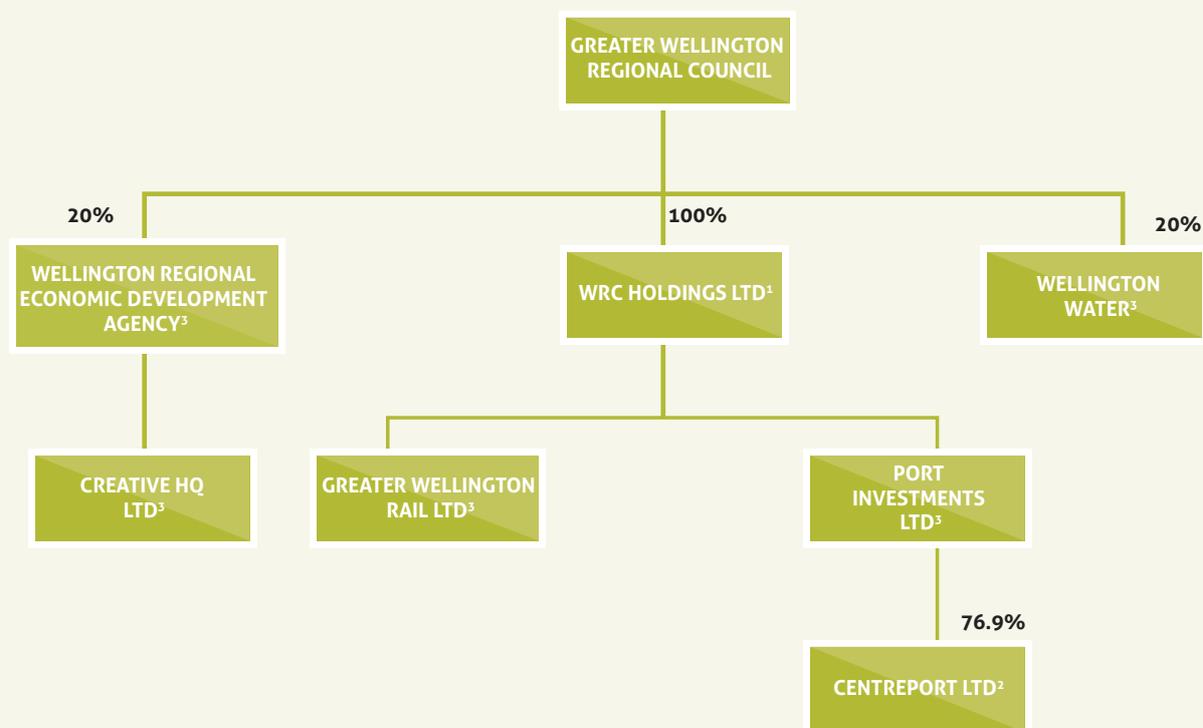
Greater Wellington Regional Council provided a \$25 million loan to the WRST to plan and build the stadium. Greater Wellington Regional Council is the Trust's principal funder. Greater Wellington Regional Council services and repays this loan through a targeted stadium rate.

Greater Wellington Regional Council appoints one of its Councillors to the WRST and, jointly with the Wellington City Council, appoints other trustees. Greater Wellington Regional Council also monitors the Trust's performance against its Statement of Trustees Intent.

Council-Controlled Organisations

Council-Controlled Organisations are any organisation (trading or not) where one or more local authority own or control 50% or more of the voting rights or appoint 50% or more of the directors. Greater Wellington Regional Council has established the following Council-Controlled Organisations (CCOs) and Council-Controlled Trading Organisations (CCTOs) which assist in promoting our objectives for the region. The tables on the following pages explain what these organisations do, how their performance is measured and Greater Wellington Regional Council's objectives for them with regards to ownership and control.

COUNCIL CONTROLLED ORGANISATIONS & INVESTMENTS



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

² Commercial Port Company pursuant to the Port Companies Act 1988 and not a Council-Controlled Organisation in accordance with the Local Government Act 2002

³ Council-Controlled Organisation in accordance with the Local Government Act 2002

Changes to the plan – managing the financial impacts of the earthquake

The earthquake of November 2016 had a significant impact on CentrePort operations. Wharves and surrounding land and buildings suffered substantial damage. This affected container shipping, the coolstore, log transport, the Interislander ferries and cruise ships to varying degrees. Whilst CentrePort is working hard to repair the damage and to keep operations running, there is a significant short-term impact on the revenue of the port, and there will be additional costs to repair the damage. As the major shareholder of CentrePort, we will not be able to rely on any financial dividends for a number of years and this will impact on the revenue and balance sheet of the Council. Managing the ongoing impact will be considered during the 2018-28 long term planning process.

To manage this loss of revenue in the 2017/18 year, we will use \$2 million from contingency funding set aside for events such as these and to increase debt by \$2 million.

Organisation **WRC Holdings Ltd**

Ownership	100%
Directors	Samantha Sharif (Chair) Prue Lamason (Deputy Chair) Roger Blakeley Barbara Donaldson Ian McKinnon
Nature and scope of activities	WRC Holdings Ltd is the holding company for Port Investments Ltd, Greater Wellington Rail Ltd and indirectly CentrePort Ltd. 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.
Significant policies and objectives on ownership and control	The primary objectives of WRC Holdings Ltd are to support Greater Wellington Regional Council's strategic vision and operate successful, sustainable and responsible businesses, manage its assets prudently and, where appropriate, provide a commercial return. WRC Holdings Ltd has adopted policies that prudently manage risks and protect the investment.
Key annual objectives and performance targets	Objectives of the Group: The core role of the Board of WRC Holdings Limited is to determine the Group's strategy and monitor the Group's investment in Rail infrastructure and Centreport, both of which service the region's infrastructure needs and to ensure they deliver on the Group's objectives as follows 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: i. ensure 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 current rail operator of the rail services and maintenance provider of GWRL's Rail Assets ii. ensure GWRL complies with its responsibilities as a rail participant under the Railways Act 2005, current health and safety legislation and any other legislation affecting GWRL's Rail Assets and operations iii. ensure Greater Wellington Regional Council 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) For CentrePort via Port Investments Limited to ensure Centreport: i. maximises the commercial value of CentrePort to the Shareholder and protect the Shareholder's investment, including land and property, while maintaining the strategic value to the economy of the region ii. delivers competitive financial returns compared to industry benchmarks (port and comparable sectors) iii. adopts policies that prudently manage risk and protect the investment of stakeholders iv. ensures that a recovery plan from the recent earthquakes is developed in consultation with stakeholders taking into account the strategic needs of the stakeholders and the region v. ensures resilience plans are featured in the recovery plan and the CentrePort's planning process takes a longer term view of opportunities for redevelopment of the port and for this work to be undertaken in collaboration with the regional council, local councils and other key stakeholders, and in consultation with the public vi. adopt policies that prudently manage risks and protect the investment of its shareholders vii. exhibit 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 when possible viii. conduct its affairs in accordance with sound business practice ix. achieve the objectives and performance targets of the Shareholder.

Organisation WRC Holdings Ltd

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:	2017/18	2018/19
Surplus/(Deficit) before tax (\$000s)	77,319	90,647
Surplus after tax	78,082	91,800
Earnings before interest, tax and depreciation	104,993	120,958
Return on total assets	11.9%	12.0%
Return on shareholders' equity	17.0%	17.2%
Shareholders' equity to total assets	66.2%	67.9%
Dividends	-	-

Comment

The financial performance and ratios of return on total assets and return on shareholder's equity are being distorted (higher returns) by the insurance proceeds from the 14 November Kaikoura earthquakes. Similarly no forecasted dividend from CentrePort Limited is impacting the returns in WRC Holdings Parent.

WRC Holdings Parent financial performance targets:	2017/18	2018/19
Dividend distribution \$000s	-	-
a) Dividend distribution %	0%	0%
b) Return on equity ¹	(0.0%)	(0.1%)
c) Return on assets ²	0.4%	0.4%
d) Shareholder's funds to total assets	84.2%	85.0%

¹ Based on net surplus before tax and Dividend by average equity, but excluding revalued gains and losses.

² Based on earnings before interest and tax and Dividend by average assets.

Organisation **Greater Wellington Rail Ltd (GWRL)**

Ownership	100%						
Directors	Samantha Sharif (Chair) Prue Lamason (Deputy Chair) Roger Blakeley Barbara Donaldson Ian McKinnon						
Nature and scope of activities	<p>Greater Wellington Rail Ltd owns Greater Wellington Regional Council'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• 2 Remote controlled electric shunt crabs (delivery July 2017)• 83 Matangi units• Thorndon electrical multiple unit depot and train wash, Metro wheel lathe and building• 48 Rail stations (excluding Wellington Central Station)• 14 Pedestrian over-bridges• 11 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 Greater Wellington Regional Council.</p> <p>Operational delivery of the services is through separate maintenance and operating contracts with a Rail service provider.</p> <p>An asset management plan is in place 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 and 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, in common with WRC Holdings. GWRL is an asset holding company (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><thead><tr><th>financial performance targets:</th><th>2017/18</th><th>2018/19</th></tr></thead><tbody><tr><td>Shareholder's funds to total assets</td><td>81.7%</td><td>82.6%</td></tr></tbody></table>	financial performance targets:	2017/18	2018/19	Shareholder's funds to total assets	81.7%	82.6%
financial performance targets:	2017/18	2018/19					
Shareholder's funds to total assets	81.7%	82.6%					

Organisation **Greater Wellington Rail Ltd (GWRL)**

Operational performance targets	Asset Management – Rolling Stock	
	Days 100% availability not met	
	Matangi:	≤ 1 day per month
	Carriage fleet:	≤1 day per month
	Average condition grade	
	Matangi	<2.5/5.0*
	Carriages	<2.5/5.0
	Mean distance between failure	
	Matangi:	≥40,000km
	Carriages:	≥80,000km
	Asset Management – Infrastructure	
	Percentage of facilities with CCTV coverage	71%
	• Average condition grade of:	
	• Stations buildings and shelters	≤2.5/5.0
	• Structures (subways and bridges)	≤2.5/5.0
• Park & ride	≤2.5/5.0	
• Percentage of assets in condition grade 4 (Poor) or worse		
• Stations buildings and shelters	10%	
• Structures (subways and 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 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	Samantha Sharif (Chair) Prue Lamason (Deputy Chair) Roger Blakeley Barbara Donaldson Ian McKinnon																		
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 the performance of CentrePort.																		
Significant policies and objectives on ownership and control	PIL is owned by WRC Holdings Ltd. Its sole asset is a majority shareholding in CentrePort limited. PIL manages the Council's commercial investment. The Board of PIL has external directorships providing advice and expertise, in 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.</p> <table><thead><tr><th>Financial performance targets:</th><th>2017/18</th><th>2018/19</th></tr></thead><tbody><tr><td>Dividend distribution (\$000s)</td><td>-</td><td>-</td></tr><tr><td>Dividend distribution (%)</td><td>0%</td><td>0%</td></tr><tr><td>Return on equity³</td><td>(87.3%)</td><td>(766.8%)</td></tr><tr><td>Return on assets⁴</td><td>(0.2%)</td><td>(0.3%)</td></tr><tr><td>Shareholder's funds to total assets</td><td>1.9%</td><td>(1.1%)</td></tr></tbody></table> <p>The returns are impacted significantly due to no forecasted dividend from CentrePort Limited.</p>	Financial performance targets:	2017/18	2018/19	Dividend distribution (\$000s)	-	-	Dividend distribution (%)	0%	0%	Return on equity ³	(87.3%)	(766.8%)	Return on assets ⁴	(0.2%)	(0.3%)	Shareholder's funds to total assets	1.9%	(1.1%)
Financial performance targets:	2017/18	2018/19																	
Dividend distribution (\$000s)	-	-																	
Dividend distribution (%)	0%	0%																	
Return on equity ³	(87.3%)	(766.8%)																	
Return on assets ⁴	(0.2%)	(0.3%)																	
Shareholder's funds to total assets	1.9%	(1.1%)																	
	³ Based on net surplus before tax divided by average equity, but excluding revaluation gains and losses.																		
	⁴ Based on earnings before interest and tax divided by average assets.																		

Organisation **CentrePort Ltd**

Ownership 76.9% by GWRC
23.1% by MWRC Holdings Ltd (owned by Horizons Regional Council)

Directors Lachie Johnstone (Chair)
David Benham
Sophie Haslem
Richard Janes
John Monaghan
Mark Petersen

Nature and scope of activities • The major activities of CentrePort are:

- 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 and 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.

Organisation CentrePort Ltd

Key annual objectives and performance targets	Safety and Security performance targets:			
	Objective	Performance measure	Performance target	
			2017/18	2018/19
Year on year improvement towards zero harm	Implementation of five year action plan	Year one action items completed	Year two action items completed	
		Lost Time Injury Frequency (per 200,000 hours worked)	≤ 3.6	≤ 3.2
		Lost Time Injury Severity (per 200,000 hours worked)	≤ 50	≤ 40
		bSafe Reports (incident and near miss reports)	> 800	> 900
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 and Harbour Safety Code (PHSC)	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 incident completed	All new task risk assessments and post incident reviews complete	All new task risk assessments and post incident reviews complete	
Maintain compliance with the International Ship and 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	
		2017/18	2018/19
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. Full year 2015 year base line 32	Minimum 10% decrease from base line (New incident reporting system introduced)	Minimum 15% decrease from base line
	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 greenhouse gas protocol.	Emissions intensity reduction plan and targets to be set for 2019/20. Verified annual emission inventory completed.	Meet intensity reduction target
	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 minimisation plan developed. Waste minimisation integrated into EQ recovery projects.	
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

Social performance targets:

- a. Contribute to the desired outcome of the Wellington Regional Strategy through:
 - 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.
- b. Supporting the regional community by investing in community sponsorship and engaging community activities.
- c. To meet regularly with representative community groups.

General performance targets:

- a. The company will, in consultation with the shareholders, continue to develop performance targets in the financial, environmental and social areas.
- 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.
- c. CentrePort will also report in its quarterly report to shareholders the company’s strategy when it is completed with quarterly updates of any amendments to the strategy.
- d. When developing ‘property held for development’ the Board is to adhere to the following principles:
 - 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.

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%.

	2017/18	2018/19
Financial performance targets:		
Underlying net profit before tax	\$20.1 million	\$19.4 million
Underlying net profit after tax	\$15.9 million	\$15.2 million
Return on total assets	10.8%	7.5%
Return on port assets	13.2%	8.5%
Return on property assets	5%	3.8%
Return on equity	8%	5.1%
Dividend distribution	-	-
Dividend distribution (%)	0%	0%

Declining returns reflect increasing equity and asset base as a result of aged assets being replaced by new assets from insurance proceeds

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 (WREDA)
Ownership	20% GWRC 80% WCC
Directors	Peter Biggs (Chair) Matt Clark Dave Gibson Grant Gilford Richard Laverty Thomas Pippas Lorraine Witten
Nature and scope of activities	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: <ul style="list-style-type: none"> • Grow Wellington (and its subsidiary Creative HQ) • Positively Wellington Tourism • Positively Wellington Venues • Major Events
Significant policies and objectives on ownership and control	Under an agreement between all the councils in the region WREDA was established in late 2014. It is owned jointly by Wellington City Council (80% shareholding) and Greater Wellington Regional Council (20% shareholding). 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 Greater Wellington Regional Council with membership representing the councils in the region. WREDA implements the Wellington Regional Strategy and will support other plans which are currently being developed.
Key annual performance targets	A list of the specific targets for WREDA can be found in the WREDA Statement of Intent at: http://wellington.govt.nz/~media/your-council/wreda/wreda-soi.pdf

Organisation	Wellington Water
Ownership	20% Greater Wellington Regional Council 80% Wellington City Council, Hutt City Council, Upper Hutt City Council, Porirua City Council (20% each)
Directors	John Strahl (Chair) David Benham Cynthia Brophy Nicki Crauford David Wright
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 and control	Wellington Water was established in September 2014. 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 performance indicators	A full list of the specific targets for Wellington Water can be found at https://www.wellingtonwater.co.nz/publication-library/statutory-reports/Statement of Intent , page 22.

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 raises debt funding either domestically and/or offshore in either NZ dollars or foreign currency and provides 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.
Significant policies and objectives	<ul style="list-style-type: none"> • Providing savings in annual interest costs for all Participating Local Authorities, • 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; and • 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.
Key annual objectives and performance targets	A full list of the specific targets for the LGFA can be found in their SOI at: http://www.lgfa.co.nz/for-investors/annual-reports-and-statement-of-intent



FINANCIAL INFORMATION

10 Year Plan, Section Seven, p221

Significant forecasting assumptions and risks

10 Year Plan, Section Four, p83

This section 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: Greater Wellington Regional Council 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 5.9% in the 2017/18 year, however we have revised our budget to 5.27%.

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 2017/18 year.

Level of uncertainty: **Medium**

Transport funding from the New Zealand Transport Agency

Assumption: In 2017/18 funding assistance will be provided by the New Zealand Transport Agency (NZTA), at the following levels (percentage of cost):

Rail services	54%
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 2017/18.

Level of uncertainty: **Medium**

Fuel prices

Assumption: Greater Wellington Regional Council has entered into a number of bus contracts to supply public transport services. Included in these contracts are cost indices requiring Greater Wellington Regional Council 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 2017/18 the cost of oil is assumed to be US\$50 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: It is proposed that there will be no fare increases in 2017/18.

Risk: If inflation increases, our costs may increase, but we will not have an opportunity to further increase funding through fares until the 2018/19 year.

Level of uncertainty: **Low**

Financial impact statements
TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE COMPREHENSIVE REVENUE AND EXPENSE STATEMENT
 FOR THE YEAR ENDING 30 JUNE

	2016/17 Plan \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
OPERATING REVENUE			
General rates	39,504	42,479	45,864
Targeted rates	77,960	81,482	86,294
Regional rates	117,464	123,961	132,158
Water supply levy	29,098	30,863	31,215
Government subsidies	85,404	96,553	92,278
Interest and dividends	6,037	3,043	7,089
Other operating revenue	60,043	63,899	119,117
Total external operating revenue	298,046	318,319	381,857
OPERATING EXPENDITURE			
Personnel costs	43,557	46,244	42,410
Grants and subsidies	149,268	156,669	200,216
Finance costs	16,534	19,921	26,903
Depreciation	17,514	17,930	21,469
Other operating expenses	69,835	70,673	60,389
Total external operating expenditure	296,708	311,437	351,387
Operating surplus before transport improvement grants ¹	1,338	6,882	30,470
Transport improvement grants ¹	-	-	8,389
Operating surplus / (deficit) before other items	1,338	6,882	22,081
Other fair value changes	5,179	9,250	4,015
Operating surplus / (deficit) for the year	6,517	16,132	26,096
Other comprehensive income			
Increases / (decreases) in revaluations ²	-	54,655	29,869
Total comprehensive income / (deficit) for year	6,517	70,787	55,965

¹ GWRC 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 NZ 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

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE

	2016/17 Plan \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
Total opening ratepayers' funds	882,054	880,067	998,400
Total comprehensive income / (deficit) for year	6,517	70,787	55,965
Movement in ratepayers funds for year	6,517	70,787	55,965
Closing ratepayers' funds	888,571	950,854	1,054,365
Components of ratepayers funds			
Opening accumulated funds	368,483	349,253	504,873
Total comprehensive income / (deficit) for year	6,517	70,787	55,965
Movements in other reserves	10,017	(47,098)	(28,467)
Movement in accumulated funds for year	16,534	23,689	27,498
Closing accumulated funds	385,017	372,942	532,371
Opening other reserves	36,315	32,116	17,188
Movements in other reserves	(10,017)	(7,557)	(1,402)
Movement in other reserves for year	(10,017)	(7,557)	(1,402)
Closing other reserves	26,298	24,559	15,786
Opening asset revaluation reserves	477,256	498,698	476,339
Movements in revaluation reserve ¹	-	54,655	29,869
Movement in asset revaluation reserve for year	-	54,655	29,869
Closing asset revaluation reserve	477,256	553,353	506,208
Closing ratepayers' funds	888,571	950,854	1,054,365

¹ Movements in revaluation reserves are the projected revaluation of property, plant and equipment over the life of the plan
All figures on this page exclude GST

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE

	2016/17 Plan \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
ASSETS			
Cash and other equivalents	5,160	21,318	36,507
Investments (current)	47,027	30,466	-
Other current assets	14,964	21,849	34,407
Current assets	67,151	73,633	70,914
Investments (non-current)	33,480	39,162	61,217
Investment in subsidiary	272,902	271,527	394,119
Property, plant and equipment	916,141	989,389	988,426
Non-current assets	1,222,523	1,300,078	1,443,762
Total assets	1,289,674	1,373,711	1,514,676
RATEPAYERS' FUNDS			
Retained earnings	385,017	372,942	532,371
Reserves	503,554	577,912	521,994
Total ratepayers' funds	888,571	950,854	1,054,365
LIABILITIES			
Debt (current)	85,509	166,168	21,254
Other current liabilities	35,594	26,689	33,195
Current liabilities	121,103	192,857	54,449
Debt (non-current)	280,000	230,000	405,862
Non-current liabilities	280,000	230,000	405,862
Total liabilities	401,103	422,857	460,311
Total equity and liabilities	1,289,674	1,373,711	1,514,676

All figures on this page exclude GST.

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE STATEMENT OF CASHFLOWS
 FOR THE YEAR ENDING 30 JUNE

	2016/17 Budget \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash is provided from:			
Regional rates	117,464	123,961	132,158
Water supply levy	29,098	30,863	31,215
Government subsidies	85,404	96,553	92,278
Interest and dividends	6,037	3,043	7,089
Fees, charges and other revenue	60,043	63,899	119,117
	298,046	318,319	381,857
Cash is disbursed to:			
Interest	16,534	19,686	26,903
Payment to suppliers and employees	260,659	273,587	308,332
	277,193	293,273	335,235
Net cash flows from operating activities	20,853	25,046	46,622
CASHFLOWS FROM INVESTING ACTIVITIES			
Cash is provided from:			
Sale of property, plant and equipment	567	1,216	1,093
Cash is applied to:			
Purchase of property, plant and equipment	41,068	64,542	74,360
Investment additions	28,034	17,990	22,157
	69,102	82,532	96,517
Net cashflows from investing activities	(68,535)	(81,316)	(95,424)
CASHFLOWS FROM FINANCING ACTIVITIES			
Cash is provided from:			
Loan funding ¹	68,593	77,183	77,401
Cash is applied to:			
Debt repayment	13,105	16,895	23,208
Net cashflows from financing activities	55,488	60,288	54,193
Net increase/(decrease) in cash and cash equivalents	7,806	4,018	5,391
Opening cash and cash equivalents	(2,646)	17,300	31,115
Closing cash and cash equivalents	5,160	21,318	36,506

¹ GWRC 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 NZ Transport Agency.

All figures on this page exclude GST

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE DEBT
AS AT 30 JUNE

	2016/17 Budget \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
Environment	4,151	4,453	2,178
Public transport	257,147	275,010	280,323
Water supply	71,720	82,697	94,052
Parks	7,992	8,889	9,116
Flood Protection and Control Works	75,382	85,415	79,554
Stadium	878	0	0
Forestry			
Regional leadership	17,584	19,324	15,642
Property and investments	5,072	6,186	11,831
Corporate systems	5,455	5,433	3,733
Total activities debt	445,381	487,407	496,429
Treasury internal funding ¹	(79,872)	(91,239)	(69,313)
Total external debt	365,509	396,168	427,116
External debt (current)	85,509	166,168	21,254
External debt (non-current)	280,000	230,000	405,862
Total external debt	365,509	396,168	427,116

¹ GWRC manages community outcome debt via an internal debt function. External investments and debt are managed through a central treasury management function in accordance with the Treasury Management Policy.

All figures on this page exclude GST.

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE FUNDING IMPACT STATEMENT
 FOR THE YEAR ENDING 30 JUNE

	2016/17 Budget \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
Greater Wellington operations			
Sources of operating funding			
General rates	39,504	42,479	45,864
Targeted rates	77,960	81,482	86,294
Subsidies and grants for operating purposes	83,386	89,351	82,039
Interest and dividends from investments	6,037	3,043	7,089
Fees, charges, and targeted rates for water supply	50,850	53,783	107,857
Fines, infringement fees, and other receipts ¹	38,291	40,979	42,475
Total operating funding	296,028	311,117	371,618
Applications of operating funding			
Payments to staff and suppliers	262,659	273,587	311,404
Finance costs	16,534	19,686	26,903
Other operating funding applications	-	-	-
Total applications of operating funding²	279,193	293,273	338,307
Operating surplus/(deficit)	16,835	17,844	33,311
Sources of Capital Funding			
Subsidies and grants for capital expenditure	2,018	7,202	10,239
Increase / (decrease) in debt	45,471	52,731	52,792
Gross proceeds from asset sales	567	416	293
Total Sources of Capital Funding	48,056	60,349	63,324
Applications of Capital Funding			
Capital expenditure			
– to meet additional demand	50	5,976	-
– to improve the level of service	26,415	41,635	56,750
– to replace existing assets	14,603	16,931	17,610
Increase / (decrease) in investments	33,840	21,208	23,676
Increase / (decrease) in reserves	(10,017)	(7,557)	(1,401)
Total Applications of Capital Funding	64,891	78,193	96,635
Surplus/(Deficit) of Capital Funding	(16,835)	(17,844)	(33,311)
Funding Balance	-	-	-
Depreciation on council assets	17,514	17,930	21,469
Water Supply Levy¹	29,098	30,863	31,215

¹ This includes the Water supply levy charged to Wellington, 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.

TOTAL COUNCIL FINANCIAL STATEMENTS
PROSPECTIVE REGIONAL RATES AND CAPITAL EXPENDITURE
 FOR THE YEAR ENDING 30 JUNE

	2016/17 Budget \$000s	2017/18 Plan \$000s	2017/18 LTP \$000s
REGIONAL RATES			
Regional Leadership – excluding Warm Greater Wellington targeted rate	11,751	12,093	13,036
Public transport	59,939	64,656	67,874
Environment	26,695	28,378	28,516
Flood Protection and Control Works	17,176	17,989	18,881
Parks	6,176	6,582	6,270
Investments ¹	(7,362)	(8,920)	(6,280)
Total Rates excluding Warm Greater Wellington targeted rate	114,375	120,778	128,297
Regional Leadership – Warm Greater Wellington targeted rate	3,089	3,183	3,861
Total regional rates	117,464	123,961	132,158
CAPITAL EXPENDITURE			
Environment	3,212	1,721	987
Public transport ²	3,605	19,360	21,999
Water supply	4,020	12,918	25,937
Parks	3,939	3,609	1,760
Flood Protection and Control Works	21,333	21,381	14,814
Regional Leadership	762	745	1,641
Investments	497	719	6,520
Other	3,700	4,089	702
Total capital expenditure	41,068	64,542	74,360
Public Transport Improvements	-	-	8,389
Public Transport Investment in Rail	28,034	17,990	22,157
Total Capex and improvements	69,102	82,532	104,906

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.

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 Jul-17 \$000s	Deposits \$000s	Withdrawals \$000s	Closing Balance Jun-18 \$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	12,259	367	(4,156)	8,470
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	1,687	15	-	1,702
WREMO reserve	Contributions by other Local Authorities to run the WREMO	209	-	(75)	134
WRS reserve	Any funding surplus or deficit relating to the Wellington Regional Strategy implementation is used only on subsequent Wellington Regional Strategy expenditure	703	2	(169)	536
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	4,769	801	(453)	5,117
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	1,174	38	(215)	997
Contingency reserves					
Environmental legal reserve	To manage the variation in legal costs associated with resource consents and enforcement	216	-	-	216
Flood contingency reserves	To help manage the costs for the repair of storm damage throughout the region.	5,179	285	-	5,464
Rural fire reserve	To help manage the costs of rural fire equipment.	71	3	-	74

Council Created Reserves	Purpose of the Fund	Opening Balance Jul-17 \$000s	Deposits \$000s	Withdrawals \$000s	Closing Balance Jun-18 \$000s
Special Reserves					
Election reserve	To manage the variation in costs associated with the election cycle	248	101	-	349
Corporate systems reserve	To manage the variation in costs associated with key IT infrastructure and software.	1,489	107	(1,584)	12
Other reserve	Expenditure that has been rated for in one year when the project will not be completed until the following year	4,112	735	(3,359)	1,488
Total Reserves		32,116	2,454	(10,011)	24,559

All figures on this page exclude GST

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate	7,272	8,089
Targeted rate	8,004	8,807
Subsidies and grants for operating purposes	1,369	1,614
Fees, charges, and targeted rates for water supply	18	3
Fines, infringement fees, and other receipts ¹	2,203	1,939
Total operating funding	18,866	20,452
Applications of operating funding		
Payments to staff and suppliers	18,134	18,373
Finance costs	1,076	1,129
Internal charges and overheads applied	571	453
Total applications of operating funding	19,781	19,955
Surplus/(deficit) of operating funding	(915)	497
Sources of capital funding		
Subsidies and grants for capital expenditure	281	401
Increase / (decrease) in debt	1,820	(2,290)
Gross proceeds from asset sales	45	52
Total sources of capital funding	2,146	(1,837)
Applications of capital funding		
– to meet additional demand	-	-
– to improve the level of service	-	-
– to replace existing assets	745	1,641
Increase / (decrease) in investments	1,211	(2,821)
Increase / (decrease) in reserves	(725)	(160)
Total applications of capital funding	1,231	(1,340)
Surplus/(deficit) of funding	-	-
Depreciation on Regional Leadership assets	255	460

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Wellington Regional Strategy	4,939	4,960
Emergency Management	3,452	3,740
Democratic Services	1,954	2,225
Relationships with mana whenua	1,034	944
Regional transport planning and programmes	3,021	3,339
Regional initiatives ¹	4,423	5,213
Climate change planning and activities	43	31
Total operating funding	18,866	20,452
Applications of operating funding		
Wellington Regional Strategy	5,105	4,946
Emergency Management	3,395	3,483
Democratic Services	1,806	2,072
Relationships with mana whenua	1,033	943
Regional transport planning and programmes	3,442	3,364
Regional initiatives ¹	4,957	5,116
Climate change planning and activities	43	31
Total applications of operating funding	19,781	19,955
Capital expenditure		
Capital project expenditure	550	1,416
Land and buildings	-	-
Plant and equipment	45	47
Vehicles	150	178
Total capital expenditure	745	1,641

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.

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 IMPACT STATEMENT
FOR THE YEAR ENDING 30 JUNE**

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate	-	-
Targeted rate	64,656	67,874
Subsidies and grants for operating purposes	87,685	80,425
Fare revenue ¹	48,063	103,041
Fines, infringement fees, and other receipts ²	2,273	2,207
Total operating funding	202,677	253,547
Applications of operating funding		
Payments to staff and suppliers	172,792	216,733
Finance costs	13,562	15,772
Internal charges and overheads applied	5,853	3,968
Total applications of operating funding	192,207	236,473
Net surplus/(deficit) of operating funding	10,470	17,074
Sources of capital funding		
Subsidies and grants for capital expenditure	6,921	9,838
Increase / (decrease) in debt ³	15,777	16,257
Gross proceeds from asset sales	10	10
Total sources of capital funding	22,708	26,105
Applications of Capital Funding		
Capital expenditure		
– to meet additional demand	5,976	-
– to improve the level of service	11,664	20,898
– to replace existing assets	1,720	1,101
Increase / (decrease) in investments ³	17,990	22,157
Increase / (decrease) in reserves	(4,172)	(977)
Total applications of capital funding	33,178	43,179
Surplus/(deficit) of funding	-	-
Depreciation on Public Transport assets	1,662	3,788

¹ Variance mainly due to LTP assumption of gross bus contracts starting 2017 which will now start in 2018.

² This includes revenue from Greater Wellington Rail Limited for services provided to manage the rail assets.

³ "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 NZ Transport Agency.

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Metlink public transport network planning	2,174	3,462
Rail operations and asset management	123,761	128,791
Bus and ferry operations and asset management	61,278	109,434
Metlink fares and ticketing, and customer services and information	12,538	8,848
Total mobility	2,926	3,012
Total operating funding	202,677	253,547
Applications of operating funding		
Metlink public transport network planning	2,174	2,905
Rail operations and asset management	109,466	110,063
Bus and ferry operations and asset management	69,329	112,659
Metlink fares and ticketing, and customer services and information	8,317	7,840
Total mobility	2,921	3,006
Total applications of operating funding (excluding improvements)	192,207	236,473
Net surplus/(deficit) of operating funding	10,470	17,074
Investments in Greater Wellington Rail Limited¹		
Rail operations and asset management	17,990	22,157
Total investment expenditure	17,990	22,157
Capital expenditure		
New public transport shelters, signage, pedestrian facilities, land and systems	19,320	21,958
Total capital project expenditure	19,320	21,958
Vehicles	40	41
Total capital expenditure	19,360	21,999
Total Investment in Public Transport Infrastructure	37,350	44,156

¹ 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 NZ 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.

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

	2017/18 Plan \$000s	2017/18 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	32,170	32,934
Total operating funding	32,170	32,934
Applications of operating funding		
Payments to staff and suppliers	19,820	19,446
Finance costs	4,417	5,189
Internal charges and overheads applied	1,333	1,465
Total applications of operating funding	25,570	26,100
Surplus/(deficit) of operating funding	6,600	6,834
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	9,421	22,511
Gross proceeds from asset sales	-	-
Total sources of capital funding	9,421	22,511
Applications of capital funding		
Capital expenditure		
– to meet additional demand	-	-
– to improve the level of service	8,892	21,354
– to replace existing assets	4,026	4,583
Increase / (decrease) in investments	3,180	3,408
Increase / (decrease) in reserves	(77)	-
Total applications of capital funding	16,021	29,345
Surplus/(deficit) of funding	-	-
¹ This includes the Water supply levy charged to Wellington, Upper Hutt, Hutt and Porirua city councils		
Water supply levy	30,863	31,215
Depreciation on Water Supply assets	10,514	10,981

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Water Supply	32,170	32,934
Total operating funding	32,170	32,934
Applications of operating funding		
Water Supply	25,570	26,100
Total applications of operating funding	25,570	26,100
Capital expenditure		
Water sources	-	1,657
Water treatment plants	2,839	1,489
Pipelines	995	12,048
Pump stations	40	42
Reservoirs	-	-
Monitoring and control	350	367
Seismic protection	-	-
Other	8,639	10,276
Capital project expenditure	12,863	25,879
Land and buildings	-	-
Plant and equipment	55	58
Vehicles	-	-
Total capital expenditure	12,918	25,937

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 IMPACT STATEMENT
 FOR THE YEAR ENDING 30 JUNE

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate	27,844	27,880
Targeted rate	534	636
Subsidies and grants for operating purposes	297	-
Fees, charges, and targeted rates for water supply	5,250	4,349
Fines, infringement fees, and other receipts ¹	3,771	4,233
Total operating funding	37,696	37,098
Applications of operating funding		
Payments to staff and suppliers	34,875	33,788
Finance costs	206	149
Internal charges and overheads applied	3,595	1,822
Total applications of operating funding	38,676	35,759
Surplus/(deficit) of operating funding	(980)	1,339
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	1,782	(245)
Gross proceeds from asset sales	119	41
Total sources of capital funding	1,901	(204)
Applications of capital funding		
Capital expenditure		
– to meet additional demand	-	-
– to improve the level of service	-	-
– to replace existing assets	1,721	987
Increase / (decrease) in investments	-	-
Increase / (decrease) in reserves	(800)	148
Total applications of capital funding	921	1,135
Surplus/(deficit) of funding	-	-
Depreciation on Environment assets	781	695

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

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Resource management	19,885	17,967
Land management	5,044	6,429
Biodiversity management	4,778	4,591
Pest management	5,773	5,835
Harbour management	2,216	2,276
Total operating funding	37,696	37,098
Applications of operating funding		
Resource management	20,641	17,134
Land management	5,454	6,211
Biodiversity management	4,767	4,543
Pest management	5,759	5,770
Harbour management	2,055	2,101
Total applications of operating funding	38,676	35,759
Capital expenditure		
Environment projects	881	105
Capital project expenditure	881	105
Land and buildings	-	-
Plant and equipment	672	706
Vehicles	168	176
Total capital expenditure	1,721	987

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate	10,679	10,870
Targeted rate	7,310	8,011
Subsidies and grants for operating purposes	-	-
Fees, charges, and targeted rates for water supply	-	-
Fines, infringement fees, and other receipts ¹	3,163	2,221
Total operating funding	21,152	21,102
Applications of operating funding		
Payments to staff and suppliers	9,505	9,690
Finance costs	4,385	4,682
Internal charges and overheads applied	1,939	1,064
Total applications of operating funding	15,829	15,436
Surplus/(deficit) of operating funding	5,323	5,666
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	16,643	10,290
Gross proceeds from asset sales	78	84
Total sources of capital funding	16,721	10,374
Applications of capital funding		
Capital expenditure		
– to meet additional demand	-	-
– to improve the level of service	21,079	14,498
– to replace existing assets	302	316
Increase / (decrease) in investments	346	500
Increase / (decrease) in reserves	317	726
Total applications of capital funding	22,044	16,040
Surplus/(deficit) of funding	-	-
Depreciation on assets	978	1,126

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 and Financing Policy.

All figures on this page exclude GST.

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Understanding flood risk	2,815	2,389
Maintaining flood protection and control works	9,639	9,991
Improving flood security	8,698	8,722
Total operating funding	21,152	21,102
Applications of operating funding		
Understanding flood risk	2,473	2,057
Maintaining flood protection and control works	8,060	8,084
Improving flood security	5,296	5,295
Total applications of operating funding	15,829	15,436
Capital expenditure		
Hutt river improvements	16,595	7,011
Otaki and Waikanae river improvements	964	823
Wairarapa rivers improvements	2,308	6,034
Other flood protection	1,212	630
Capital project expenditure	21,079	14,498
Land and buildings	-	-
Plant and equipment	123	129
Vehicles	179	187
Total capital expenditure	21,381	14,814

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 IMPACT STATEMENT
 FOR THE YEAR ENDING 30 JUNE

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate	6,582	6,270
Targeted rates	-	-
Subsidies and grants for operating purposes	-	-
Fees, charges, and targeted rates for water supply	137	185
Fines, infringement fees, and other receipts ¹	675	611
Total operating funding	7,394	7,066
Applications of operating funding		
Payments to staff and suppliers	4,722	5,337
Finance costs	430	526
Internal charges and overheads applied	1,506	771
Total applications of operating funding	6,658	6,634
Surplus/(deficit) of operating funding	736	432
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	2,391	1,120
Gross proceeds from asset sales	118	44
Total sources of capital funding	2,509	1,164
Applications of capital funding		
Capital expenditure		
– to meet additional demand	-	-
– to improve the level of service	-	-
– to replace existing assets	3,609	1,760
Increase / (decrease) in investments	-	-
Increase / (decrease) in reserves	(364)	(164)
Total applications of capital funding	3,245	1,596
Surplus/(deficit) of funding	-	-
Depreciation on Parks assets	2,271	2,273

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Operating funding		
Parks Planning	679	266
Visitor Services	6,715	6,800
Protecting the environment of regional parks	-	-
Total operating funding	7,394	7,066
Applications of operating funding		
Parks Planning	740	266
Visitor Services	5,883	6,332
Protecting the environment of regional parks	35	36
Total Applications of Operating Funding	6,658	6,634
Capital expenditure		
Battle Hill Farm Forest Park	227	146
Belmont Regional Park	442	271
Queen Elizabeth Park	1,237	1,057
Whitireia Park	139	13
Pakuratahi Forest	120	-
Akatarawa Forest	144	1
Wainuiomata Recreation Area	39	-
Kaitoke Regional Park	32	8
East Harbour Regional Park	862	-
Parks Other	-	109
Capital project expenditure	3,242	1,605
Land and buildings	-	-
Plant and equipment	50	-
Vehicles	317	155
Total capital expenditure	3,609	1,760

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.

INVESTMENTS

PROSPECTIVE FUNDING IMPACT STATEMENT

FOR THE YEAR ENDING 30 JUNE

	2017/18 Plan \$000s	2017/18 LTP \$000s
Sources of operating funding		
General rate ¹	(9,898)	(7,245)
Targeted rate	978	965
Subsidies and grants for operating purposes	-	-
Fines, infringement fees, and other receipts ^{2,3}	27,239	24,648
Total operating funding	18,319	18,368
Applications of operating funding		
Payments to staff and suppliers	2,462	1,297
Finance costs	19,244	16,146
Total applications of operating funding	21,706	17,443
Surplus/(deficit) of operating funding	(3,387)	925
Sources of capital funding		
Subsidies and grants for capital expenditure	-	-
Increase / (decrease) in debt	9,966	7,417
Gross proceeds from asset sales	19	40
Total sources of capital funding	9,985	7,457
Applications of capital funding		
Capital expenditure		
– to meet additional demand	-	-
– to improve the level of service	-	-
– to replace existing assets	719	6,520
Increase / (decrease) in investments	(1,519)	433
Increase / (decrease) in reserves	7,398	1,429
Total applications of capital funding	6,598	8,382
Surplus/(deficit) of funding	-	-
Depreciation on Investment assets	368	374

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 general rates.

² Other receipts include revenue from pest control.

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.

	2017/18 Plan \$000s	2017/18 LTP \$000s
Internal interest revenue	23,893	16,990

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

	2017/18 Plan \$000s	2017/18 LTP \$000s
Net contribution to general rates from individual investments		
Liquid financial deposits	3,092	1,568
WRC Holdings	2,242	4,534
Treasury management	3,596	856
Other Investments and Property	968	287
Total contribution to general rates	9,898	7,245

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.

Annual plan disclosure statement for year ending 30 June 2018

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.

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 2017/18

Rating units	199,332
Capital Value	\$112.1b
Land Value	\$51.2b

SUMMARY OF RATES AND LEVIES

This table shows the rates and levies for GWRC in 2017/18, together with the changes from 2016/17. Rates comprise the general rate and various targeted rates. GWRC 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 2017/18 is 5.6%. The water supply levy, which is charged to the four metropolitan city councils is proposed to increase by 6.1% over 2017/18. When the water supply levy is included, Greater Wellington Regional Council's overall increase is 5.7%.

By rate and levy type	2016/17 Budget \$000s	2017/18 Plan \$000s	Change \$000s	Change %
General rates	39,504	42,482	2,978	
Targeted rates				
Region wide targeted rates:				
River management rates	5,483	5,827	344	
Transport rates	59,938	64,656	4,718	
Stadium rates	2,676	978	(1,698)	
WRS rates	4,768	4,822	54	
Specific area targeted rates:				
Possum / Predator rates	424	472	48	
South Wairarapa district – river rates	91	93	2	
Wairarapa scheme and stop bank rates	1,491	1,452	(39)	
Total targeted rates¹	74,871	78,300	3,429	
Total regional rates	114,375	120,782	6,407	5.6%
Water supply levy	29,098	30,863	1,765	6.1%
Total regional rates and levies¹	143,473	151,645	8,172	5.7%
Warm Wellington rates ²	3,089	3,182		
Total rates and levies	146,562	154,827		

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.

All figures on this page exclude GST.

Figures labelled "2016/17 Budget" are sourced from GWRC's 2016/17 Annual plan.

This information should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy contained within the 2015–25 10 year plan available at <http://www.gw.govt.nz/long-term-plan-2015-25/>.

All figures on this page exclude GST.

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 GWRC'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	2016/17 Budget \$000s	2017/18 Plan \$000s	Change \$000s	Change %
Wellington city	59,009	62,574	3,565	
Lower Hutt city	22,083	23,454	1,371	
Upper Hutt city	7,861	8,386	525	
Porirua city	9,193	9,887	694	
Kapiti Coast district	8,788	9,326	538	
Masterton district	2,375	2,244	(131)	
Carterton district	1,154	1,094	(60)	
South Wairarapa district	1,903	1,798	(105)	
Tararua district ¹	3	2		
Region-wide rates ²	112,369	118,765	6,396	
Possum / predator rates	424	472	48	
South Wairarapa district – river rates	91	93	2	
Wairarapa scheme and stopbank rates	1,491	1,452	(39)	
Total regional rates	114,375	120,782	6,407	5.6%
Water supply levy				
Wellington City Council	15,681	16,515	834	
Hutt City Council	7,312	7,660	348	
Upper Hutt City Council	2,773	3,096	323	
Porirua City Council	3,332	3,592	260	
Water supply levy	29,098	30,863	1,765	6.1%
Total regional rates and levies ³	143,473	151,645	8,172	5.7%
Warm Wellington rate ⁴	3,089	3,182		
Total rates and levies	146,562	154,827		

Figures labelled "2016/17 Budget" are sourced from GWRC's 2016/17 Annual plan.

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 10 year plan available at <http://www.gw.govt.nz/long-term-plan-2015-25/>.

All figures on this page exclude GST.

RATES AND LEVIES - RESIDENTIAL REGION-WIDE RATES

WHAT IS THE IMPACT ON YOUR CITY OR DISTRICT?

2017/18 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	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Wellington city	\$209.63	\$227.52	\$0.44	\$0.44	\$162.82	\$172.11	\$14.68	\$5.35	\$387.57	\$405.42
Lower Hutt city	\$143.44	\$159.77	\$77.43	\$82.02	\$235.93	\$259.64	\$10.52	\$3.82	\$467.33	\$505.25
Upper Hutt city	\$127.59	\$140.35	\$30.96	\$35.00	\$232.96	\$256.42	\$7.86	\$2.85	\$399.37	\$434.63
Porirua city	\$147.98	\$163.64	\$1.34	\$1.37	\$282.12	\$308.51	\$9.15	\$3.32	\$440.59	\$476.84
Kapiti Coast district	\$145.27	\$153.79	\$44.69	\$48.61	\$114.61	\$123.83	\$4.97	\$1.79	\$309.53	\$328.02
Masterton district	\$95.93	\$89.32	\$0.00	\$0.00	\$24.20	\$25.44	\$4.24	\$1.54	\$124.38	\$116.29
Carterton district	\$101.20	\$93.54	\$2.76	\$2.80	\$44.76	\$47.80	\$3.97	\$1.43	\$152.69	\$145.57
South Wairarapa district	\$106.87	\$97.27	\$0.00	\$0.00	\$61.88	\$65.68	\$5.15	\$1.83	\$173.90	\$164.78

	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	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Wellington city	\$549,713	\$551,092	\$387.57	\$405.42	\$14.00	\$14.00	\$401.57	\$419.42
Lower Hutt city	\$378,461	\$471,132	\$467.33	\$505.25	\$14.00	\$14.00	\$481.33	\$519.25
Upper Hutt city	\$343,289	\$413,719	\$399.37	\$434.63	\$14.00	\$14.00	\$413.37	\$448.63
Porirua city	\$394,401	\$488,077	\$440.59	\$476.84	\$14.00	\$14.00	\$454.59	\$490.84
Kapiti Coast district	\$388,240	\$389,784	\$309.53	\$328.02	\$14.00	\$14.00	\$323.53	\$342.02
Masterton district	\$251,063	\$251,836	\$124.38	\$116.29	\$14.00	\$14.00	\$138.38	\$130.29
Carterton district	\$257,835	\$264,355	\$152.69	\$145.57	\$14.00	\$14.00	\$166.69	\$159.57
South Wairarapa district	\$276,988	\$282,113	\$173.90	\$164.78	\$14.00	\$14.00	\$187.90	\$178.78

Certain comparatives have been reclassified to aid comparability

¹ Region-wide rates are rates that are charged to all ratepayers in the region. This 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 Wellington Regional Strategy activities including WREDA, the region's economic development agency.

Rates for Greater Wellington region are mostly allocated to ratepayers on the basis of their capital values. The territorial authorities undertake valuations in different years. To ensure properties are valued on the same basis in each territorial area, GWRC 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 10 year plan available at <http://www.gw.govt.nz/long-term-plan-2015-25/>.

All figures on this page exclude GST.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

General rate	2017/18 Cents per \$ of rateable capital value	2017/18 Revenue sought \$	Targeted rate Public transport	2017/18 Cents per \$ of rateable capital value	2017/18 Revenue sought \$
Wellington city	0.04129	21,189,529	Wellington city		
Lower Hutt city	0.03391	7,179,456	Downtown city centre business	0.31855	25,019,166
Upper Hutt city	0.03400	2,718,137	Urban	0.03123	13,391,772
Porirua city	0.03353	3,367,757	Rural	0.00802	46,420
Kapiti Coast district	0.03945	4,329,462	Lower Hutt city		
Masterton district	0.03546	1,675,353	Urban	0.05511	11,491,349
Carterton district	0.03538	774,173	Rural	0.01404	44,665
South Wairarapa district	0.03448	1,245,449	Upper Hutt city		
Tararua district	0.03459	2,354	Urban	0.06213	4,470,062
Total general rate		42,481,670	Rural	0.01579	126,321
			Porirua city		
Targeted rate River management based on capital value	2017/18 Cents per \$ of rateable capital value	2017/18 Revenue sought \$	Urban	0.06321	5,969,310
Wellington city	0.00008	43,255	Rural	0.01611	96,761
Lower Hutt city	0.01741	3,685,586	Kapiti Coast district		
Upper Hutt city	0.00848	678,045	Urban	0.03177	2,952,277
Porirua city	0.00028	28,308	Rural	0.00822	138,344
Kapiti Coast district	0.01247	1,368,226	Masterton district		
Carterton district	0.00106	23,240	Urban	0.01010	238,023
Total district-wide river management rate		5,826,660	Rural	0.00290	68,725
Greytown ward	0.01696	90,734	Carterton district		
Total river management rates based upon capital value		5,917,394	Urban	0.01808	126,711
			Rural	0.00485	72,078
			South Wairarapa district		
			Urban	0.02328	251,027
			Rural	0.00605	153,385
			Total public transport rate		64,656,396
Targeted rate River management based on land value	2017/18 Cents per \$ of rateable land value	2017/18 Revenue sought \$	Targeted rate Warm Greater Wellington Based on extent of service provided	2017/18 Percentage of service provided	2017/18 Revenue sought \$
Featherston urban: Donalds Creek Stopbank	0.00325	2,563	For any ratepayer that utilises the service	15.000%	3,182,000
Total river management rates based upon land value		2,563			
Total river management rates		5,919,957			

¹ 12 Rural properties in the Tararua District are within the boundaries of the Wellington region.
Note that all figures on this page exclude GST.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

Targeted rate Stadium purposes	2017/18 Cents per \$ of rateable capital value	2017/18 Revenue sought \$	Targeted rate Wellington Regional Strategy	\$ per rating unit	2017/18 Cents per \$ of rateable capital value	2017/18 Revenue sought \$
Wellington city			Wellington city			
Business	0.00172	200,998	Downtown city centre business		0.01101	865,037
Residential	0.00097	377,151	Business		0.01101	420,696
Rural	0.00049	2,836	Residential – per rating unit	\$14.00		992,446
Lower Hutt city			Rural – per rating unit	\$28.00		21,672
Business	0.00131	49,785	Lower Hutt city			
Residential	0.00081	138,889	Business		0.00905	343,454
Rural	0.00071	2,250	Residential – per rating unit	\$14.00		505,078
Upper Hutt city			Rural – per rating unit	\$28.00		13,720
Business	0.00069	7,727	Upper Hutt city			
Residential	0.00067	41,763	Business		0.00905	105,926
Rural	0.00024	1,956	Residential – per rating unit	\$14.00		204,288
Porirua city			Rural – per rating unit	\$28.00		32,984
Business	0.00111	12,128	Porirua city			
Residential	0.00068	56,729	Business		0.00894	97,906
Rural	0.00023	1,369	Residential – per rating unit	\$14.00		239,484
Kapiti Coast district			Rural – per rating unit	\$28.00		17,136
Urban	0.00046	43,134	Kapiti Coast district			
Rural	0.00025	4,206	Business		0.01052	133,496
Masterton district			Residential – per rating unit	\$14.00		284,592
Urban	0.00061	14,378	Rural – per rating unit	\$28.00		73,332
Rural	0.00022	5,184	Masterton district			
Carterton district			Business		0.00946	36,056
Urban	0.00054	3,815	Residential – per rating unit	\$14.00		109,550
Rural	0.00020	3,032	Rural – per rating unit	\$28.00		95,956
South Wairarapa district			Carterton district			
Urban	0.00065	7,042	Business		0.00944	8,781
Rural	0.00015	3,717	Residential – per rating unit	\$14.00		31,080
Total stadium purposes rate			Rural – per rating unit	\$28.00		51,044
		978,089	South Wairarapa district			
			Business		0.00920	17,511
			Residential – per rating unit	\$14.00		43,008
			Rural – per rating unit	\$28.00		77,532
			Tararua district – per rating unit			
				\$28.00		252
			Total Wellington regional strategy rate			
						4,822,017

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

Note that all figures on this page exclude GST.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

Targeted rate River management schemes 1		2017/18 \$ per hectare	2017/18 Revenue sought \$	Targeted rate River management schemes 1		2017/18 \$ per hectare	2017/18 Revenue sought \$
Waingawa	A	143.77579	4,877	Waiohine – rural	A	45.02362	5,064
	B	93.45424	12,198		B	37.33373	14,301
	C	71.88789	8,219		C	29.92598	38,263
	D	64.69915	151		D	22.51446	8,365
	E	57.51029	9,651		E	14.99910	11,978
	F	50.32155	1,306		S	750.73326	12,762
	G	21.56635	1,009				90,733
	H	14.37760	2,427				
			39,838	Mangatarere	A	33.93020	728
Upper Ruamahanga	A	132.79000	11,456	B	32.45548	6,801	
	B	110.65840	729	C	27.50461	434	
	C	88.52670	10,605	D	24.34465	1,749	
	D	66.39500	1,169			9,712	
	E	44.26330	13,109	Waipoua	A	109.29308	9,563
	F	22.13170	873		B	87.43449	26,259
	S	1,246.90931	3,242		C	65.57589	1,472
		41,183	D		43.71719	12,994	
Middle Ruamahanga	A	128.47818	5,183	SA	3,694.10614	369	
	B	106.95832	5,838	SC	2,207.72027	221	
	C	85.56668	438			50,878	
	D	64.20053	7,268				
	E	42.83327	1,292				
	F	21.39164	6,324				
	S	1,294.38551	2,718				
			29,061				
Lower Ruamahanga	A	61.78561	7,758				
	B	52.95907	2,851				
	C	44.13252	9,874				
	D	35.30608	11,245				
	E	26.47953	8,565				
	F	17.65299	21,610				
	SA	1,549.25454	4,028				
	SB	774.62732	1,317				
			67,248				

Note that all figures on this page exclude GST.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

Targeted rate River management schemes 1		2017/18 \$ per hectare	2017/18 Revenue sought \$	Targeted rate River management schemes 2		2017/18 \$ per dwelling	2017/18 \$ per point	2017/18 Revenue sought \$
Kopuaranga	A2	122.71550	3,197	Lower Wairarapa valley	A		0.22960	663,259
	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	3.94468	1,626	Development scheme	Sa	18.43380		7,687
	B	0.78894	223					
	C	0.39452	70					
	S	197.23487	299					
		2,218						
Lower Whangaehu	A	21.20020	708		Sb	36.88167		83,426
	B	16.96010	1,104					
	C	12.72010	692					
	D	8.47990	649					
	E	4.24000	739					
	S	106.00060	142					
		4,034						
Total river management scheme 1 rates			356,823	Total river management scheme 2 rates			754,372	
				Total river management scheme rates			1,111,195	

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.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

Targeted rate Catchment schemes 1		2017/18 \$ per hectare	2017/18 Revenue sought \$	Targeted rate Catchment schemes 2		2017/18 Cents per \$ of rateable land value	2017/18 Revenue sought \$
Whareama	A	3.99750	2,860	Awhea-Opouawe	Land value	0.00013	8,770
	B	1.53750	1,465	Mataikona- Whakataki	Land value within scheme area	0.00003	2,664
	C	0.26910	12,266				
	D	-	-	Catchment management scheme 2 rates			
	E	0.19220	3				
	F	0.15370	424				
			17,018				
Homewood	A	1.74240	4,099				
	B	1.66140	754				
	C	1.45200	4,840				
	D	0.20740	363				
			10,056				
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			36,833				

Targeted rate Catchment schemes 2		2017/18 Cents per \$ of rateable land value	2017/18 Revenue sought \$
Awhea-Opouawe	Land value	0.00013	8,770
Mataikona- Whakataki	Land value within scheme area	0.00003	2,664
Catchment management scheme 2 rates			
			11,434

Targeted rate Catchment schemes 3		2017/18 \$ per dwelling	2017/18 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		2017/18 Cents per metre of river frontage	2017/18 Revenue sought \$
Maungaraki	River frontage	0.02786	1,327
Catchment management scheme 4 rates			
			1,327
Total catchment management scheme rates			
			61,841

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.

FUNDING IMPACT STATEMENT - RATES FUNDING IMPACT STATEMENT

Targeted rate Pump drainage schemes		2017/18 \$ per hectare	2017/18 Revenue sought \$
Te Hopai	A	44.28010	55,200
Moonmoot pump	A	118.56520	27,000
Onoke pump	A	72.51170	51,732
Pouawha pump	A	109.39220	103,430
Total pump drainage scheme rates			237,362

Targeted rate Possum / predator		2017/18 \$ per hectare	2017/18 Revenue sought \$
Rural land area			
Land area of 4 or more hectares in all rural classified areas		0.76906	472,000
Total Possum / predator rate			472,000

Targeted rate Gravity drainage schemes		2017/18 \$ per hectare	2017/18 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
Otahoua	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	22.75280	3,969
Whakawiriwiri	A	11.47640	8,273
Total gravity drainage scheme rates			41,358

Note that all figures on this page exclude GST.

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 Greater Wellington Regional Council's general rate. Greater Wellington Regional Council 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

Greater Wellington Regional Council 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 Greater Wellington Regional Council 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 ¹	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
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
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

¹ See map on page 92 for Wellington city centre business area

Location	Use	Description
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 Greater Wellington Regional Council'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 Greater Wellington Regional Council'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 Greater Wellington Regional Council 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

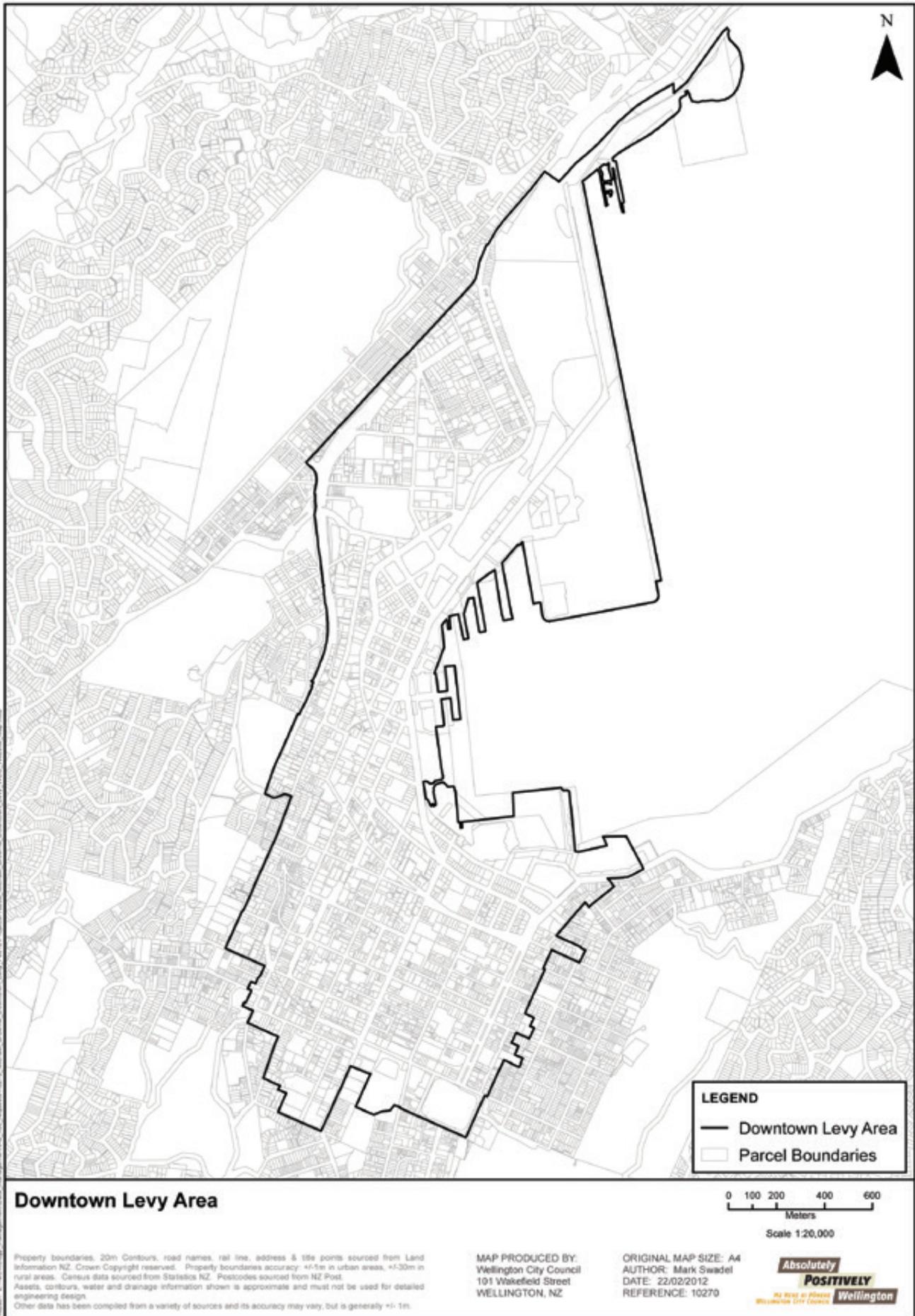
The WRS rate is a targeted rate allocated on a fixed-amount basis for residential and rural ratepayers, and capital value for businesses. For residential properties the fixed amount is \$14 plus GST and rural properties \$28 plus GST. This rate will fund the Wellington Regional Strategy activities and 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.





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July 2017
GW/SP-G-17/80