



If calling, please ask for Democratic Services

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## Council

Thursday 7 December 2023, 9.30am

Taumata Kōrero, Council Chamber, 100 Cuba St, Te Aro, Wellington

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*Quorum: Seven Councillors*

### Members

#### Councillors

Daran Ponter (Chair)

Adrienne Staples (Deputy Chair)

David Bassett

Ros Connelly

Quentin Duthie

Penny Gaylor

Chris Kirk-Burnnand

Ken Laban

David Lee

Thomas Nash

Hikitia Ropata

Yadana Saw

Simon Woolf

**Recommendations in reports are not to be construed as Council policy until adopted by Council**

# Council

Thursday 7 December 2023, 9.30am

Taumata Kōrero, Council Chamber, 100 Cuba St, Te Aro, Wellington

## Public Business

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4.	<a href="#">Confirmation of the Public minutes of the Council meeting on Thursday 26 October 2023</a>	23.556	4
5.	<a href="#">Confirmation of the Public minutes of the Council meeting on Tuesday 31 October 2023</a>	23.558	11

## Strategy/Policy/Major Issues

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## Governance

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## Resolution to Exclude the Public

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## Public Excluded Business

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19.	<a href="#"><u>Appointment of director to the Wellington Regional Economic Development Agency</u></a>	PE23.637	181
20.	<a href="#"><u>Lower North Island Rail Integrated Mobility: proposed Procurement Strategy and Rolling Stock Procurement Plan</u></a>	RPE23.604	186
21.	Lower North Island Rail Integrated Mobility: Operator Options	RPE23.603	To Come
22.	<a href="#"><u>Bus Contract Procurement: Timing</u></a>	RPE23.626	287



Please note these minutes remain unconfirmed until the Council meeting on 7 December 2023.

Report 23.556

## Public minutes of the Council meeting on Thursday 26 October 2023

Committee Room, Greater Wellington Regional Council | Te Pane Matua Taiao  
34 Chapel Street, Masterton at 10.03am

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### Members Present

Councillor Ponter (Chair)  
Councillor Staples (Deputy Chair)  
Councillor Bassett  
Councillor Connelly  
Councillor Duthie  
Councillor Gaylor  
Councillor Laban  
Councillor Lee  
Councillor Nash  
Councillor Ropata  
Councillor Saw  
Councillor Woolf

Councillor Ropata and Councillor Woolf participated at this meeting remotely via MS Teams and counted for the purpose of quorum in accordance with clause 25B of Schedule 7 to the Local Government Act 2002.

### Karakia timatanga

The Council Chair opened the meeting with a karakia timatanga.

### Public Business

#### 1 Apologies

Moved: Cr Laban / Cr Gaylor

That the Council accepts the apology for absence from Councillor Kirk-Burnnand.

The motion was **carried**.

**2 Declarations of conflicts of interest**

There were no declarations of conflicts of interest.

**3 Public participation**

There was no public participation.

**4 Confirmation of the Public minutes of the Council meeting on 21 September 2023 - Report 23.503**

Moved: Cr Staples / Cr Saw

That the Council confirms the Public minutes of the Council meeting on 21 September 2023 – Report 23.503.

The motion was **carried**.

**5 Confirmation of the Public Excluded minutes of the Council meeting on 21 September 2023 - Report PE23.504**

Moved: Cr Bassett / Cr Nash

That the Council confirms the Public Excluded minutes of the Council meeting on 21 September 2023 – Report PE23.504.

The motion was **carried**.

## **Strategy, policy or major issues**

**6 Natural Resources Plan, Plan Change 1 notification – Report 23.488**

Fathima Iftikar, Director Strategy, Policy and Regulation spoke to the report. Updated Attachment 1 – Natural Resources Plan, Plan Change 1 (with Appendix) was tabled.

Moved: Cr Lee / Cr Gaylor

That Council:

- 1 Notes and recognises the contribution of the Whaitua committees for Ruamahanga, Te Awarua o Porirua and Te Whanganui a Tara Whaitua, and the mana whenua of these Whaitua, in preparing the Whaitua implementation programmes that underpin Plan Change 1 of the Natural Resources Plan for the Wellington Region.
- 2 Notes that the Chair of Greater Wellington will write to and offer to meet with the Mayors of the region’s Territorial Authorities and the Chair of Wellington Water to explain the potential implications of the plan change in order that their organisations can be forewarned in their Long Term Plan preparations.

- 3 Notes and recognises the contribution of mana whenua/tangata whenua to the preparation of Plan Change 1 to the Natural Resources Plan for the Wellington Region 2023.
- 4 Notes that the Manager, Policy, has the delegation from Council to approve any minor corrections or alterations of minor effect to Plan Change 1 to the Natural Resources Plan for the Wellington Region 2023 under the Resource Management Act Schedule 1 clause 16(2).
- 5 Notes that Plan Change 1 to be notified has been changed from that which was approved by Council on 17 August 2023 to be released for limited consultation. The notified version has a 2040 timeframe for achievement of *E. coli* target attribute states, which is consistent with the Whaitua Implementation Programme recommendations.
- 6 Notes that changes made to Plan Change 1 since the Council workshop on 5 October 2023 are in Attachment 3.
- 7 Agrees that the pre-notification consultation requirements as set out in Schedule 1 of the Resource Management Act have been met.
- 8 Approves public notification of Plan Change 1 to the Natural Resources Plan for the Wellington Region 2023 having regard to the Section 32 evaluation report.
- 9 Approves public notification of the provisions identified in the Plan Change 1 to the Natural Resources Plan for the Wellington Region 2023 under the Freshwater Planning Process as a Freshwater Planning Instrument, and the remaining provisions under the standard Schedule 1 process.

The motion was **carried**.

**7 Error identified in the application of the Wellington City Differentiated General Rate – Report 23.485**

Nigel Corry, Chief Executive, Ali Trustrum-Rainey, Group Manager Finance & Risk, Deborah Kessell-Haak, Head of Legal and Procurement, and Mike Wakefield, Partner, Simpson Grierson, spoke to the report.

Moved: Cr Ponter / Cr Nash

That Council

- 1 Approves the implementation of the following option to address the error identified in the application of the differentiated general rate for the Wellington City area:  
Option Two – Take no remedial action, including no provision for refunds.
- 2 Requests the Council Chair to seek to identify a local Member of Parliament who would be willing to sponsor a local bill and informs Councillors on the outcome of those discussions.

The motion was **carried**.

The meeting adjourned at 11.24am and resumed at 11.35am.

**8 Lower North Island Rail Integrated Mobility: vehicle and depot ownership options – Report 23.537**

Samantha Gain, Group Manager Metlink, and Barry Fryer, Manager Rail Assets, spoke to the report.

Moved: Cr Gaylor / Cr Nash

That Council:

- 1 Notes that decisions on the ownership arrangements for Lower North Island Rail Integrated Mobility (LNIRIM) assets will need to be made by both Greater Wellington Regional Council and Horizons Regional Council.
- 2 Notes that analysis shows a preference for the LNIRIM assets to be held by Greater Wellington Regional Council, either directly or via the existing Greater Wellington Rail Limited Council Controlled Organisation, with Horizons Regional Council having a management services agreement.
- 3 Notes that Council will make its final decision about whether Greater Wellington Regional Council or a Council Controlled Organisation will own the Lower North Island Rail Integrated Mobility assets based on the outcomes of the 'Proposed Strategic Public Transport Asset Control Strategy' (which will be consulted on as part of the Long Term Plan 2024-34).
- 4 Notes that on 7 November 2023, Horizons Regional Council will be considering a report on ownership arrangements for LNIRIM assets.
- 5 Endorses the preferred approach for the LNIRIM assets to be held by Greater Wellington Regional Council or a Greater Wellington Regional Council Council Controlled Organisation.
- 6 Notes that subject to Council endorsement of the preferred approach:
  - a the LNIRIM Project team will engage with Horizons Regional Council to determine the terms of the funding and management services agreement, which will be brought back to Council for decision.
  - b the LNIRIM Vehicle and Depot 'Request for Proposal' documentation will be developed to provide that Greater Wellington Regional Council will be the purchaser of the vehicles, depot and related assets, with provision to nominate a Greater Wellington Regional Council Controlled Organisation as the purchaser.

The motion was **carried**.

**9 Lower North Island Rail Integrated Mobility: Delegations for funding and stakeholder participation agreements – Report 23.538**

Samantha Gain, Group Manager Metlink, and Barry Fryer, Manager Rail Assets, spoke to the report.

Moved: Cr Staples / Cr Saw

That Council:

- 1 Notes that as part of the Lower North Island Rail Integrated Mobility Programme, certain agreements will need to be entered by multiple parties to establish the Programme.
- 2 Notes that the primary purpose of the Stakeholder Participation Agreement is to record the roles, responsibilities, and agreements of the key parties involved in the Lower North Island Rail Integrated Mobility rolling stock procurement.
- 3 Notes that the primary purpose of the Funding Agreement is to give the Councils assurance as to the level and nature of the government financial support and how it will be administered for the Lower North Island Rail Integrated Mobility programme.
- 4 Delegates to the Council Chair, the Transport Committee Chair, and the Chief Executive, acting jointly, the power to enter into the Lower North Island Rail Integrated Mobility Funding Agreement.
- 5 Delegates to the Council Chair, the Transport Committee Chair, and the Chief Executive, acting jointly, the power to enter into the Lower North Island Rail Integrated Mobility Stakeholder Participation Agreement.

The motion was **carried**.

#### **10 Christmas Fares – Report 23.525**

Emmet McElhatton, Manager Policy, Metlink, spoke to the report.

Moved: Cr Staples / Cr Nash

That Council:

- 1 Notes that since the fare changes from 1 April this year, a 50% discount applies to all off-peak trips during weekdays, and all weekend and public holidays on Metlink trains and buses including on after midnight services (excluding Airport Express services).
- 2 Notes that the 50% off-peak discount applies to all fares, including concessions.
- 3 Notes that this year, Christmas Eve and New Year's Eve are on a Sunday.
- 4 Notes that the Government's Community Connect Scheme has been fully in place on the Metlink public transport network since 1 September 2023.
- 5 Notes that the Community Connect Scheme provides free travel for children under 13 years old, 75% discount for school aged children, and 50% discount for all people under 25 years old and Community Services Card holders.
- 6 Notes that the Airport Express and Tawa On-Demand services operate without funding contribution from Government.
- 7 Notes that year to date fare revenue has been considerably lower than budget, due to lower patronage after COVID-19, reduced fares, and increased cost pressure.
- 8 Agrees to provide free travel on Metlink bus and rail services, excluding Airport Express and Tawa On Demand services, on Christmas Day for 2023.

- 9 Notes that a decision on offering free travel on additional days of Christmas Eve and New Year's Eve can be considered through the Council's future decisions on fares in the context of transition to the National Ticketing Solution (NTS).
- 10 Agrees to embed the provision of free travel on Metlink bus and rail services, excluding Airport Express and Tawa on Demand services, on Christmas Day for future years and include budget provision for this in the Long-Term Plan.
- 11 Notes that officers will communicate the Council's decision to Metlink bus and rail operators and to Snapper for implementation and provide communication to our customers.

The motion was **carried**.

## **Governance**

### **11 Opportunity to Establish a Māori Constituency – Report 23.539**

Francis Ryan, Head of Governance and Democracy, spoke to the report.

Moved: Cr Ropata / Cr Laban.

That Council:

- 1 Establishes a Māori constituency for the 2025 triennial local elections onwards, noting that the Māori constituency is supplementary to and not a replacement for Council's Te Tiriti o Waitangi obligations with mana whenua.
- 2 Notes that the establishment of a Māori constituency will inform the full representation review scheduled for 2024.

The motion was **carried**.

### **12 Shareholder Resolutions in lieu of Annual General Meeting: WRC Holdings Limited – Report 23.534**

Sarah Allen, Principal Advisor Company Portfolio, spoke to the report.

Moved: Cr Nash / Cr Bassett

That Council

- 1 Agrees, as sole shareholder of WRC Holdings Limited, that the company not be required to hold an Annual General Meeting relating to the financial year ending 30 June 2023.
- 2 Resolves the written resolutions contained in Attachment 1 – Shareholder resolutions for WRC Holdings Limited.
- 3 Authorises the Council Chair to sign the resolutions of the sole shareholder contained in Attachment 1.

The motion was **carried**.

## **Karakia whakamutunga**

The Council Chair closed the meeting with a karakia whakamutunga.

The public meeting closed at 11.49am.

Councillor D Ponter

**Chair**

Date:



Please note these minutes remain unconfirmed until the Council meeting on 7 December 2023.

Report 23.558

## Public minutes of the Council meeting on Tuesday 31 October 2023

Taumata Kōrero – Council Chamber, Greater Wellington Regional Council  
100 Cuba Street, Te Aro, Wellington, at 9.10am.

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### Members Present

Councillor Ponter (Chair) (from 9.12am)  
Councillor Staples (Deputy Chair)  
Councillor Bassett  
Councillor Connelly  
Councillor Duthie  
Councillor Kirk-Burnnand  
Councillor Laban  
Councillor Lee  
Councillor Nash  
Councillor Ropata (from 9.18am)  
Councillor Saw  
Councillor Woolf

Councillors Connelly, Duthie, Nash, Ropata, Staples and Woolf participated at this meeting remotely via Microsoft Teams and counted for the purpose of quorum in accordance with clause 25B of Schedule 7 to the Local Government Act 2002.

Councillor Laban presided at the meeting in the absence of the Council Chair from 9.10am to 9.12am. Councillor Ponter assumed the Chair at 9.12am on his arrival.

### Public Business

#### 1 Apologies

Moved: Cr Saw / Cr Lee

That Council accepts the apology for absence from Councillor Gaylor.

The motion was **carried**.

**Noted:** Council noted that Councillor Gaylor was absent on Council business.

**2 Declarations of conflicts of interest**

There were no declarations of conflicts of interest.

**3 Public participation**

There was no public participation.

**4 Greater Wellington Regional Council's 2022/23 Annual Report – Report 23.533**

Zofia Miliszewska, Head of Strategy and Performance, Ashwin Pai, Financial Controller, Clint Ramoo, Audit Director, Audit NZ, and Nosiviewe Tsotso, Audit Manager, Audit NZ, spoke to the report.

Mr Ramoo thanked Greater Wellington officers for their assistance to the audit. He advised that Audit NZ would be issuing a qualified audit report, with one matter of emphasis. The qualification relates to Greater Wellington's Carbon Emission measures regarding greenhouse gas emissions calculations; this is a technical issue facing all of local government in the carbon reporting space as the accounting standards are not currently able to sufficiently verify the full scope of reported emissions. The matter of emphasis pertains to the three waters reform and appears on all local government annual reports.

Mr Ramoo also advised that:

- Audit New Zealand is comfortable with the Council's decision of 26 October 2022 regarding the recently identified rates administration error, and that a contingency note that now been included in the Annual Report as an appropriate disclosure
- the accompanying representation letter to the Council Chair and Chief Executive pertains to the arrangements with Waka Kotahi - NZ Transport Agency.

Moved: Cr Kirk-Burnnand / Cr Nash

That Council:

- 1 Notes that the qualification on Greater Wellington Regional Council's Annual Report is a result of Audit NZ being unable to verify the full set of emissions data included by Greater Wellington and invites Audit NZ to report back to Greater Wellington on progress made to improve accounting standards on emissions reductions.
- 2 Adopts Greater Wellington Regional Council's Annual Report (Attachment 1) and the Summary of the Annual Report (Attachment 2) for the year ended 30 June 2023.
- 3 Authorises the Chief Executive to make minor changes that may arise as part of finalising the audited Annual Report and Summary of the Annual Report for the year ended 30 June 2023.

The motion was **carried**.

Councillor Ponter arrived at the meeting at 9.12am during the introduction of the above item. Councillor Laban vacated the chair on Councillor Ponter's arrival and Councillor Ponter assumed the Chair.

Councillor Ropata joined the meeting remotely at 9.18am via Microsoft Teams, during the introduction of the above item.

### **Karakia whakamutunga**

The Council Chair closed the meeting with a karakia whakamutunga.

The public meeting closed at 9.50am.

Councillor D Ponter

**Chair**

Date:

Council  
7 December 2023  
Report 23.480



For Decision

## WELLINGTON METROPOLITAN RAIL NETWORK: PERFORMANCE AND FUNDING

### Te take mō te pūrongo Purpose

1. To provide the Council with:
  - a An overview of the funding and management arrangements for the Wellington Metropolitan Rail Network.
  - b A description of the challenges for Greater Wellington Regional Council (Greater Wellington) and KiwiRail in managing network performance under these arrangements.
  - c Information about Greater Wellington's understanding about the level of rail network under-investment that exists now and into the future.
  - d Information regarding potential implications to Metlink rail services, including service reductions.

### He tūtohu Recommendations

That Council:

- 1 **Notes** that the Rapid Review Report into KiwiRail's Handling of Recent Disruptions to Passenger Services identifies insufficient funding for the Wellington Metropolitan Rail Network and that KiwiRail have a significant back log of renewals on the Wellington Metropolitan Rail Network.
- 2 **Notes** that the Crown's commitment in 2009, as part of the Metropolitan Rail Operating Model, to lift the rail network to an agreed serviceable standard has yet to be delivered.
- 3 **Notes** that the 30-year Wellington Strategic Rail Plan endorsed by Council on 30 June 2022 (refer Report PE22.243) and ratified by the Waka Kotahi Board in November 2023, has shown that approximately \$5.0 to \$7.8 billion of investment will be required in the Wellington Metropolitan Rail Network to deliver desired national and regional outcomes over the next 30 years; the achievement of this Plan is dependent on a reliable and serviceable network.
- 4 **Notes** that the consequences of underinvestment in the Wellington Metropolitan Rail Network are:

- a Continual managed decline of rail assets
  - b Long term reductions to passenger services
  - c Potential safety impacts
  - d Further significant and ongoing increases to funding required to bring the network to an agreed serviceable standard.
  - e Inability to implement planned timetable or service improvements.
- 5 **Notes** that a Joint Governance Group has been established for KiwiRail and Greater Wellington senior executives to collaborate on rail network challenges.
  - 6 **Agrees** that while Greater Wellington contributes to the maintenance of the Wellington Metropolitan Rail Network (via the Wellington Network Agreement), delivering on the extent of investment identified as being required for the Wellington Metropolitan Rail Network should not fall on the ratepayers of Greater Wellington but on the Crown.
  - 7 **Requests** that the Chair updates the incoming Minister of Transport on the under-investment in the Wellington Metropolitan Rail Network and identifies a pathway for an updated and agile funding model and future investment.

## **Te tāhū kōrero**

### **Background**

2. The key organisations involved in the governance, operation and monitoring of the Wellington Metropolitan Rail Network (WMRN) are:
  - a KiwiRail, a state-owned enterprise, which owns and maintains the WMRN and operates freight and long-distance passenger services
  - b Greater Wellington, which procures metro rail passenger services (via Metlink brand), has strategic oversight for the Wellington public transport network and owns the fleet of commuter passenger trains on the Network
  - c Waka Kotahi NZ Transport Agency (Waka Kotahi), a Crown entity, which regulates rail safety and invests in the land transport system
  - d Ministry of Transport, which provides policy oversight for the rail sector and advises the Minister and Cabinet on key funding decisions
  - e Transdev Wellington (Transdev), which is contracted by Greater Wellington to operate metropolitan passenger rail services and maintain Metlink's rolling stock (through a sub-contract with Hyundai Rotem).
3. The allocation of roles and responsibilities within the WMRN largely reflects a framework known as the Metropolitan Rail Operating Model.

### ***Metropolitan Rail Operating Model***

4. Cabinet agreed the policy for the Metropolitan Rail Operating Model (MROM) in 2009. The four key public policy transport objectives for the MROM system were to:
  - a increase economic growth and productivity by reducing congestion on urban roads and by more efficient utilisation of the transport network

- b provide transport choices for users
  - c integrate rail with other modes of transport
  - d reduce the environmental impact of the transport system.
5. The intent of MROM was to provide a clear framework for planning, funding, ownership, procurement and operation of metro rail passenger services to achieve value for money and strong customer service. Under MROM:
- a In the Auckland and Wellington regions, Auckland Transport and Greater Wellington respectively, are responsible for planning, specifying and purchasing metropolitan passenger rail services.
  - b KiwiRail is responsible for providing and maintaining rail network infrastructure such as track, overhead power supply, signals and platforms.
  - c Contractual arrangements are agreed between KiwiRail and the regions relating to access to the rail network and use. The access agreements include track access charges and conditions of access. The track access charges (which are like the Road User Charge (RUC)) provide funds for the operation and maintenance and renewal of the rail network infrastructure.

*Funding under MROM*

6. Waka Kotahi is accountable for discharging the funding obligations under MROM. As such, it agreed (in 2010) some further operating principles<sup>1</sup>. Of relevance to Greater Wellington and with respect to the funding of the WMRN:
- a The Crown, as the owner of the network infrastructure (with KiwiRail as its ownership vehicle), does not seek a return on its investment in that network infrastructure for metro.
  - b The Crown will make one-off equity injections into KiwiRail to bring the network up to the agreed standard of serviceability (i.e. to fund deferred renewals).
  - c The cost of maintaining the network infrastructure to the agreed standard will be recovered from the users of network infrastructure via a Track Access Charge (TAC). This cost will include both routine maintenance and steady state renewals (Renewals Services)<sup>2</sup> expenditure.
  - d No charge is made to users for depreciation or any capital charge on the Crown's investment in the network infrastructure.
  - e Any proposal made to upgrade the network infrastructure further would need to be considered on a case-by-case basis considering its merits in terms of wider transport and economic benefits.
  - f The regions will take on full responsibility for the costs of rolling stock ownership, including maintenance, upgrades, and the cost of capital.

<sup>1</sup> Rail Metro Funding Framework – An Overview briefing 2010

<sup>2</sup> Under the Wellington Network Access Agreement, the objective of Renewal Services is to replace life - expired Wellington Network assets at the optimum time with a modern equivalent asset so that the safe and efficient operation of the Wellington Network is sustained. We refer to these also as 'steady state' renewals.

7. MROM sets out funding arrangements as follows:
  - a Crown funding (at a funding assistance rate (FAR) of 100%) for the costs to bring the rail network up to a 'steady state' network.
  - b Once it is up to a 'steady state', costs to maintain the network are borne by Greater Wellington (which will be funded via Waka Kotahi at 51% FAR). The costs to maintain the network are agreed and funded through a contract with KiwiRail (for Greater Wellington – the Wellington Network Agreement).
8. Crown funding relating to bringing the network up to a 'steady state' has been provided through a variety of funding channels over the last ten years, including, for example, the Rail Network Improvement Programme (RNIP) and New Zealand Upgrade Programme (NZUP).
9. A number of catch-up renewal programmes are still in progress, and these programmes are insufficiently funded to resolve all of the backlog renewal; there is general agreement from all stakeholders that the 'steady state' has not yet been reached and further Crown funding will be needed to achieve this.
10. [Attachment 1](#) to this report provides a funding diagram which illustrates the complex funding pathways that currently fund the rail network programmes and maintenance.

### **Wellington Network Agreement**

#### *Overview*

11. Greater Wellington's access to the KiwiRail network is secured by the Wellington Network Agreement (WNA), which was entered into on 27 June 2013.
12. The WNA is an agreement between three parties: KiwiRail Holdings Limited (Access Provider); Greater Wellington Regional Council (Greater Wellington); and the Metro Service Operator (currently Transdev Wellington Limited).
13. The WNA has a term of 85 years (from 1 July 2013). This term provides Greater Wellington with the security that is necessary to continue making substantial capital investments in rolling stock and land-based rail assets to support the delivery of Metlink rail services.
14. The WNA defines access rights and the priority given to passenger rail services in relation to other services<sup>3</sup> that also use the Wellington Network.
15. The Access Provider, KiwiRail, provides and manages the Access Rights and Network Services; these are the day-to-day operations of the network and asset renewals.
16. Greater Wellington is the biggest user of the WMRN. Costs are shared between Greater Wellington and KiwiRail based on overall use. Greater Wellington carries the largest share of the cost of the network (between 75 and 80% of the maintenance and renewals), and a share of the Network Services, Insurance, Network Control Services (train control), and KiwiRail Overhead costs.

<sup>3</sup> Other users include KiwiRail's freight service, scheduled long distance passenger services, and charter and heritage operators

*Performance measures*

17. There is a set of performance measures within the WNA to incentivise KiwiRail to provide the network services (which include network control (train control), network inspections, maintenance, and renewals). Actual performance against KPIs is associated with a scale of performance payments or rebates.
18. The current performance measures are punctuality and reliability (collectively expressed as completed trips), lost time minutes arising from Temporary Speed Restrictions (TSRs), Track Possession time overrun, and planned versus actual work achieved.
19. Historically, KiwiRail has always achieved 100% of its performance targets. There are exclusions applied for TSRs due to capital works being undertaken or pending, and interruptions deemed by KiwiRail to be due to Force Majeure; these events include adverse weather. As such, the assessed KPI performance is not representative of the availability and punctuality experienced by the customer.
20. Prior to the commencement of each WNA triennium, the KPIs, and performance targets and payments that make up the incentive regime are re-set by negotiation with KiwiRail. Currently, the WNA is in the final year of its fourth triennium. However, while we have agreed a revised set of KPIs for the fourth triennium agreement for the three years commencing 1 July 2021 to 30 June 2024 (FY24) has not been signed due to issues with the budget. As a result, the WNA remains operating with largely the same performance targets which have applied since 2013.
21. Greater Wellington and KiwiRail have been renegotiating the performance measures since 2020 when renegotiating the WNA for this current triennium commenced. The new performance measures which were agreed in principle by both Greater Wellington and KiwiRail, are being monitored and reported and it is hoped that this new regime can be embedded from the fifth triennium - starting FY25. As a result of the negotiations, KiwiRail's reliability and punctuality targets have slightly increased. Increased measures have been added around Asset Management (mapping and maturity) and planned work delivery vs actual delivered. The revised nominated performance indicators (PIs) and performance regime is intended to provide more balanced lead and lag indicators and encourage a longer-term asset management focus rather than short term budget management.

*Performance fee*

22. If the agreed performance measures are met (see paragraph 18 above) then Greater Wellington is required to pay KiwiRail a performance fee.
23. The current performance fee for KiwiRail is approximately \$1.7m to \$2m per annum and is calculated based on approximately 7% of the expenditure under the WNA budget items excluding some overhead exclusions such as insurance and traction electricity.
24. The total value of the performance fee increases as the items which attract the 7% also increase.

*Network Management Plan*

25. The Network Management Plan is a requirement under the WNA, is produced by KiwiRail in each triennium, and determines the investment need for the rail network; it

has a 10-year time horizon (reflecting Greater Wellington's Long Term Plan periods) with detailed information for the triennium and an outline for the following seven years.

26. Key components of the Network Management Plan are:
- a A current assessment of the condition of the various assets making up the WMRN.
  - b An assessment of current and expected utilisation of the Wellington metro network by the Metro Service Operator (Transdev/ Greater Wellington), KiwiRail's freight service and any other operators.
  - c KiwiRail's philosophy and strategic plan for the management of the WMRN.
  - d KiwiRail's planned programme of maintenance and renewals work over the triennium and the associated Greater Wellington budget.
  - e The expected implications of the funding available from Greater Wellington and all other sources for the condition of the Wellington metro network over the triennium (with the expectation that the available funding should be sufficient to enable the network condition to be maintained or improved).

***Recent external reviews***

27. The 2021 Deloitte review on the Rolling Contact Fatigue (RCF)<sup>4</sup> issues in Auckland found a lack of funding certainty and multi-party governance to be one of the root causes of the rail network asset failure. The review recognised that KiwiRail has been operating with a short-term funding framework for the last few decades.
28. Long term asset management planning and efficient and cost-effective asset renewal delivery was identified as an urgent focus area. Fundamental changes to organisational approach, business systems, and tools and processes over a longer term with sustained funding is required.
29. The recently released 'Rapid Review Report into KiwiRail's Handling of Recent Disruptions to Passenger Services' (conducted because of the EM80 breakdown)<sup>5</sup> also highlighted many of these aspects that require urgent attention.

***Uplifting the condition and performance of the Wellington Metropolitan Rail Network***

***Bringing the network up to the agreed standard***

30. As set out above at paragraph 6(b), part of MROM funding is that the Crown will make one-off equity injections into KiwiRail to bring the network up to the agreed standard of serviceability. However, the Crown and KiwiRail have not specifically determined the 'standard of serviceability'.
31. Based on Crown funding to date (through 'one-off cash injections'), Greater Wellington has interpreted the 'standard of serviceability' to be the Rail Scenario 1 timetable ((RS1), which provides for services every 15 minutes on main lines), as well as the requirement

<sup>4</sup> Auckland Metro System Issues Phase 1 (December 2021); Independent Review into Auckland Metro Rail System Issues (February 2022)

<sup>5</sup> The full report can be found at <https://www.transport.govt.nz/assets/Uploads/Report-into-RapidReview-of-KiwiRail-Passenger-Services.pdf>

See also Transport Committee Report 23.463 *Release of Report into KiwiRail's Handling of Recent Disruptions to Passenger Services*

for network assets to be managed, maintained, and renewed according to reasonable and prudent asset management standards.

32. When the WNA was signed in 2013, the WMRN was in a widely acknowledged state of ‘managed decline’<sup>6</sup>.

*Wellington Metropolitan Upgrade Programme*

33. To begin to uplift the network standard, the Crown and KiwiRail identified some complex infrastructure enhancements and ‘deferred renewals’ as seven separate programmes of work.
34. End of life or deferred renewals are those renewals that are required to bring the network up to a state that can safely and efficiently support the existing service to be run. If they are not undertaken, then an enhanced service cannot be provided in the future. Such renewals include beyond end of life, poor condition and poor health assets, core safety and resilience mitigations (including slopes civil works), and other works such as electrical and signal upgrades that will both allow the existing service to continue and also allow room for an additional future level of service.
35. The seven separate programmes of work have a dedicated management and funding structure<sup>7</sup> and are referred to as the Wellington Metropolitan Upgrade Programme (WMUP). A summary of this Programme is below:

WMUP Programme	Scope Overview	Funding
WMUP I - Complete	<b>Renewal of end-of-life infrastructure</b> conducted between 2011 and 2018.	Crown funded direct to KR (Commenced 2011)
WMUP II – Near Complete	<b>End of life Traction face renewals</b> – including Overhead lines/poles and 3.3 kv signal power renewals Safety focused renewal to avoid failure of life expired wooden traction poles.	Single Stage Business Case (submitted Nov 2016) Initially Crown funded direct to KR, now via Greater Wellington to KR as Transitional Rail. Note 100% Crown funded
WMUP III – In Progress	<b>Catch up track and civil renewals</b> – including Wairarapa Line track upgrades, Tunnel track renewals, re-sleepering, slope stabilisation and bridge Focused on bringing the Wairarapa Line, and other key assets up to a ‘fit for purpose’ standard.	Single Stage Business Case (submitted Nov 2017) via Greater Wellington to KR as Transitional Rail. Note 100% Crown funded
WMUP IV- In Progress	<b>Capacity and resilience upgrade</b> – including Trentham double track, Porirua Area Enhancement (PACE) and additional substations or upgrades Enabler to implementing increase peak rail service frequency – commonly referred to as Rail Scenario 1 (RS1)	Single Stage Business Case (submitted Nov 2017) NLTF (Via Greater Wellington to KR as Transitional Rail activity class) Note 100% Crown funded
WMUP V – Planning Stage	<b>Life-expired assets</b> - Signal improvements and automatic train protection Address life expired assets and enable signalling system to meet modern safety standards, while also enhancing network capacity.	Indicative Business Case Completed in early 2021 Detailed Business Case about to commence Rail Network Investment Programme (RNIP) funding

<sup>6</sup> <https://www.transport.govt.nz/area-of-interest/infrastructure-and-investment/future-of-rail/> (see #08)

<sup>7</sup> These are part of the “Transitional Rail” activity class through Waka Kotahi directly to Greater Wellington as an Approved Organisation at 100% FAR. This has been discontinued in favour of the RNIP process.

WMUP Programme	Scope Overview	Funding
WMUP VIa – Implementation Phase	<b>Life expired system</b> - Wellington Station approach capacity and safety enhancements Critical to removing the rail regulator safety condition, which requires mitigation to reduce the risk of collision in Wellington Station Throat prior to increase the peak service frequency. I.e. required for RS1 implementation	NZ Upgrade Programme (NZUP) - Funding announced Jan 2020 – delivery commenced 2023
WMUP VIb - Implementation Phase	Regional Infrastructure enhancements – including Wairarapa Line new signalling and passing loops. Infrastructure improvements to enable delivery of a more frequent rail service on the Wairarapa Line, as proposed in the Longer Distance Rolling Stock Indicative Business Case.	Based on Longer Distance Rolling Stock Indicative Business Case – Dec 2019 NZ Upgrade Programme (NZUP) - Funding announced Jan 2020 – delivery commenced 2023

*Delivery and funding of WMUP*

36. Due to limited asset knowledge and asset management maturity, in 2017 when the WMUP programme was scoped, the full extent of the renewal requirement was unknown and un-scoped.
37. Since 2017, when much of the WMUP scope was prepared, KiwiRail has identified a significant number of additional renewals that need to be completed that fall into the category of ‘end of life’ or ‘deferred’ renewals.
38. To date, the renewals work component has not been separated into ‘current’ and ‘deferred’ renewals. Instead, the WNA Renewal Services Budget has been used to fund additional unfunded renewals work (and any other unanticipated or unfunded budget shortfall), when it should only be used for ‘current’ renewals requested to maintain the Network at a steady state.
39. KiwiRail’s delivery of the WMUP programme has been delayed and the funding is inadequate for the scope originally agreed.
40. Continuous scope reduction from this programme to remain within funding envelopes and new work being discovered continues to put pressure on the only other metropolitan funding stream – the WNA renewals services budget at 51% FAR (compared with the Crown funding of WMUP at 100% FAR).

*Additional deferred renewals identified by KiwiRail*

41. The consequences of this treatment of deferred renewals (or backlog) are:
  - a The funding provided to KiwiRail for renewal services (‘steady state’ renewals) under the WNA has been used by KiwiRail to undertake urgent backlog renewals which, in Greater Wellington’s view, should be 100% Crown funded (as committed in MROM).
  - b The renewals services are therefore not being delivered meaning the backlog continues to increase.
  - c The size of the backlog of deferred renewals, compared with the ongoing renewal budget, is so disproportionate that we are concerned the overall asset risk is escalating without viable mitigation. In other words, the WNA funding model

cannot be used to materially reduce KiwiRail's asset degradation risk and Greater Wellington's consequent risk to service reliability.

- d The deferral of scope from capital programmes (including WMUP) has escalated the corrective maintenance spend for the WNA meaning there is even less funding for normal (steady state) maintenance and renewals adding to the network risk (see paragraphs 60-63 below for service impacts).
42. Greater Wellington has requested from KiwiRail a list of 'backlog' works since 2020 when the Fourth Triennium WNA negotiations commenced. Waka Kotahi has also asked for this information. However, until very recently, KiwiRail has not been able to fully define the work required and quantify the money needed. To date, KiwiRail has been unsuccessful in its attempts to gain additional funds from Ministry of Transport (MoT) and Waka Kotahi to cover these works. Waka Kotahi has raised the significant backlog with its Board. In the absence of additional Crown funds being provided, KiwiRail has directed further requests for funding for the metropolitan costs to Greater Wellington.

*Network Management Plan – funding uplift request*

43. The September 2020 Network Management Plan provided by KiwiRail indicated a required funding uplift of approximately \$10m per annum, of which some was for insurance, and some was for renewals. These renewals were considered likely to be deferred (backlog) renewals. Insufficient detail was provided by KiwiRail regarding the work required, how the work fitted with the WNA contract, the WMUP programme, the costs, and the risks, to justify a significant rates uplift.
44. In addition, the timing of the request for additional funding in the Network Management Plan (not signalled during the previous Network Management Plan) was too late for Greater Wellington to investigate and include in the consultation version of the 2021 - 2031 Long-Term Plan.
45. Both KiwiRail and Greater Wellington recognised the funding under the WNA would not be able to cover the likely extent of the renewals work required and that the work existed due to the poor health of the assets. KiwiRail has continued to prioritise the renewals component of the network on the 'most' end of life assets.

*Rail Network Investment Programme*

46. The Rail Network Investment Programme sets out the rail network activities that KiwiRail proposes, and that require investment from the National Land Transport Fund (NLTF).
47. The Rail Network Investment Programme to date has excluded the Wellington Metro Rail Network renewal work.
48. Greater Wellington considers that it would have been appropriate for KiwiRail to include the Wellington Metro Rail Network renewal work in the Rail Network Investment Programme as part of the Crown's ongoing commitments to bring the rail network up to a serviceable standard<sup>8</sup>.

<sup>8</sup> Whilst this has not been specifically defined, in our view, good asset management practices could have assisted this process noting the Crown and KiwiRail had already identified, through WMUP, work that met this definition.

### **Wellington Network Agreement – KiwiRail request for additional funding**

49. KiwiRail has recently requested that Greater Wellington funds KiwiRail's identified budget under the WNA, and stated that in the event the funding is not made available, KiwiRail will have no choice but to cut its renewals work back so significantly that the Metlink rail service is likely to have significant TSRs applied resulting in a reduced service from the current level.
50. KiwiRail has recently advised a \$39m shortfall across two years (2022/23 and 2023/24) for Greater Wellington.
51. KiwiRail has stated that it has sought funding from Waka Kotahi and MoT and that funding has not been forthcoming. However, Greater Wellington does not see all interactions between KiwiRail and MoT on funding matters and therefore cannot verify whether (or what) has been applied for with respect to additional funding.
52. Insurance costs for the WMRN have increased from \$2m pa in 2018 to \$10.75m pa in 2023 and forecast to reach \$14m in 2026/27. This increase has occurred despite KiwiRail agreeing at the beginning of this current WNA triennium to cap Greater Wellington's share of the insurance premium at \$5m pa.
53. KiwiRail calculates the Wellington Metro share of the premium based on seismic risk. As such, Greater Wellington pays a material portion of the total country premium. Whilst the seismic risk has not changed, the premiums to KiwiRail have increased significantly due to the impact of Kaikōura and recently Cyclone Gabrielle as well as upwards global insurance trends. We have disputed this methodology with KiwiRail.

### ***Greater Wellington concerns with KiwiRail's application of WNA funding***

54. Since the implementation of the MROM in 2009, KiwiRail has continued to use the limited WNA funds budgeted for Renewal Services to keep the network functioning rather than applying modern asset management practices and considering alternative mechanisms for meeting the shortfall.
55. KiwiRail and Greater Wellington both recognise that the funding under the WNA, if used for undertaking deferred renewals rather than the renewals services under the WNA, would not be able to cover the expected extent of the renewals work required and that the work exists due to the poor health of the assets.
56. Since 2020, when Greater Wellington became aware of the additional funds KiwiRail has been seeking, every attempt has been made by Greater Wellington to get a complete picture of the total shortfall for renewal services and backlog.
57. Greater Wellington has been clear that this expenditure need is required to be defined and categorised, costed, prioritised according to risk, and then funding sought through the appropriate avenues, including Greater Wellington.
58. Greater Wellington understands that KiwiRail has begun work to develop a complete picture of the additional funds and deliverability of work KiwiRail requires; this work is still progressing.
59. In Greater Wellington's view, funding this significant capital expense is the role of the asset owner (the Crown); the poor state of the WNRN has been decades in the making.

60. KiwiRail as the asset owner, and the Crown as the owner and funder, has been expecting Wellington ratepayers to solve the significant funding issue, which has arisen due to KiwiRail's historic asset management approach (which has not been addressing the underlying asset condition of the rail network).
61. KiwiRail is accountable for prudently managing this nationally critical asset; this includes making sure there is sufficient funding identified and sought to enable KiwiRail to achieve the Crown's objectives. To the extent that Crown funding does not enable KiwiRail to meet these objectives, then in our view it is incumbent upon KiwiRail to lead the asset investment plan and agree a solution with the Crown.
62. Greater Wellington will continue to seek funding for the WNA via Waka Kotahi and through the Long-Term Plan for funds needed to maintain a steady state network noting we are aware these costs are likely to increase as new assets are commissioned.
63. Unfortunately, due to significant unfunded asset degradation, Greater Wellington is faced with potential network-wide service impacts.

***Service impacts of funding shortfall***

64. Greater Wellington is working with KiwiRail and Transdev to identify service impact as a result of the network risk. KiwiRail has identified specific areas of concern of the Network, which could require investment within the next two year and is working to provide a full network view of risk given the current capital works and the current TSRS applied).
65. While the reduced service level is still to be defined, it could mean:
  - a Increased journey times
  - b Rail network timetable changes
  - c Impacts on rail operator (Transdev) e.g. roster changes and train berthing
  - d Cancellation of train services on the Melling Line
  - e Increased bus replacement services (BRT).
66. KiwiRail has sought agreement from Greater Wellington to the risks, consequences, and impact of the funding deficit. Greater Wellington is not able to accept the risks based on current information.
67. The shortfall of \$39 million is only for 2022/23 and 2023/24. This is unlikely to be a static and one-off requirement. A service reduction now is likely to be ongoing.

***Future funding and service impacts***

68. In addition to the immediate funding issues that we face for the basic uplift of the network, there are ramifications for the future services Greater Wellington can provide and the funding of programmes of work that would enable such uplift.
69. [Attachment 2](#) to this report provides a Draft Network Funding Diagram. The Network Funding Diagram was developed with KiwiRail staff (noting that the final draft has not been signed off by them) and it illustrates the step change required to meet the current and draft Government Policy Statement (draft GPS). This is outlined in detail by the endorsed Wellington Strategic Rail Plan.

70. The diagram (Attachment 2) provides a pictorial representation of the network improvement activity:
- a This is a view of all work programmes for the WMRN. It includes all funding regardless of source including Transitional Rail, New Zealand Upgrade, and WNA. It also includes work that remains unfunded.
  - b The 'do minimum' line is the minimum spend we require to manage the service risk and realise the benefits of money already spent or approved.
  - c Minimum funding will only manage service risk; it will not achieve the GPS goals of Mode Shift and VKT.
  - d The below 'do minimum' line is a pre-requisite to the future programmes of work designed to increase services.
71. The diagram demonstrates that while funding has been sought and agreed for many programmes of work, i.e. Regional Trains, Wellington Station approaches and Wairarapa Upgrades, there is more work to be agreed and undertaken to lift the overall WRMN condition.
72. The issues related to the WNA and the backlog funding in the paragraphs above are represented in the two bottom sections of the diagram. This work is required to manage service risk.
73. Essentially, without lifting the rail network to a serviceable standard, Greater Wellington cannot meet the current draft GPS requirements<sup>9</sup> which include VKT/mode-shift and transport emission targets.

***Options for Greater Wellington to address current funding and service impact concerns***

74. The following options have been identified to address Greater Wellington's current funding and service concerns: Greater Wellington
- a Make a submission to the Crown (or support KiwiRail to do so) and request that it considers capping the ratepayer contribution to insurance for this critical Crown asset or implement a self-insurance regime similar to the roading network.
  - b Request that KiwiRail re-directs the funding request for renewals backlog and the associated maintenance costs to the Crown in accordance with the MROM principles; these are not contemplated by the WNA.
  - c Request KiwiRail caps its performance fee to the current amount (\$2M per annum) regardless of additional budget.
  - d Support KiwiRail with a series of business cases to support funding bids for the urgent backlog and associated costs as well as the future programme shortfalls.
  - e Ensure the Crown (Minister) together with Waka Kotahi and the MoT:
    - i Is aware of the potential service reductions if this funding shortfall is not addressed;
    - ii Accepts the service risk and other safety risks that exist if this funding shortfall is not addressed;

<sup>9</sup> Nothing that these may change with the incoming Government.

- iii Accepts the size and scale of the funding gap and engages with KiwiRail to resolve the short-term problems with additional 'seed' funding whilst a longer-term solution to funding can be agreed.
- f Brief the incoming Minister so that they are aware of the above issues, and the funding shortfall and risks.
- g Consider potential service reductions to either reduce costs or release funds to KiwiRail to ensure that the highest patronised lines remain operational until sufficient funding is available.

### **Ngā hua ahumoni**

#### **Financial implications**

- 75. Funding and financial implications are the subject of this report.

### **Ngā Take e hāngai ana te iwi Māori**

#### **Implications for Māori**

- 76. Reliable and affordable public transport is essential for connectivity to places such as employment, social services, education facilities, marae and community events.
- 77. For communities already experiencing transport challenges, it is important to understand any negative impacts, in particular meeting unmet needs of whānau Māori, in connecting to community services. For many communities in the region, reduced services or price increases will have the potential to impact heavily on household living costs.
- 78. Environmental advantages of public transport align with sustainability goals of our mana whenua partners, exploring opportunities to work together on public transport initiatives is in progress.

### **Te huritao ki te huringa o te āhuarangi**

#### **Consideration of climate change**

- 79. The issues raised in this report were considered by officers in accordance with the process set out in Greater Wellington's Climate Change Consideration Guide.
- 80. In order for Greater Wellington to achieve its mode-shift targets, it needs to provide a high frequency, reliable, and comfortable passenger rail experience, and accelerate network capacity improvements; for this to happen network conditions and service levels need to be maintained or improved.

### **Ngā tikanga whakatau**

#### **Decision-making process**

- 81. The matter requiring decision in this report was considered by officers against the decision-making requirements of Part 6 of the Local Government Act 2002.

## **Te hiranga Significance**

82. Officers considered the significance (as defined by Part 6 of the Local Government Act 2002) of the matter, taking into account Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*.
83. The matters requiring decision in this report were considered against the decision-making requirements of Part 6 and Clause 31 of Schedule 7 of the Local Government Act 2002. While the subject matter of this report is of high importance (due to funding and the potential impacts on the rail network), officers consider that the matters for decision in this report are of themselves of low significance as they propose a potential way forward.

## **Te whakatūtakitaki Engagement**

84. KiwiRail, Waka Kotahi and Transdev are aware of the general content of this report.

## **Ngā tūāoma e whai ake nei Next steps**

### ***Response to external reviews***

85. Greater Wellington is part of the working group with Waka Kotahi, KiwiRail, MoT and Auckland Transport, overseeing the recommendations from the Rolling Contact Fatigue report and the Rapid Review Report into KiwiRail's Handling of Recent Disruptions to Passenger Services investigations.
86. Many of these recommendations look to solve the asset management, governance, and funding issues that currently exist. Officers will provide regular reports on progress of action items.
87. Greater Wellington is also working with MoT, Waka Kotahi, Auckland Transport, and KiwiRail on the MROM review; this review does not look to change the fundamental principles but acknowledges that there are matters relating to execution that need clarifying and streamlining.

### ***Network funding***

88. Greater Wellington will continue to seek funding for the WNA via Waka Kotahi and through the Long-Term Plan for funds (under the WNA) for Renewal Services and 'normal' maintenance; we have been provided with steady state estimate of the quantum from KiwiRail and we are aware these costs are likely to increase as new assets are commissioned.

**Ngā āpitihanga**

**Attachments**

<b>Number</b>	<b>Name</b>
1	Rail Network Funding Programmes
2	Draft Network Funding Flowchart (GPS and Risk)

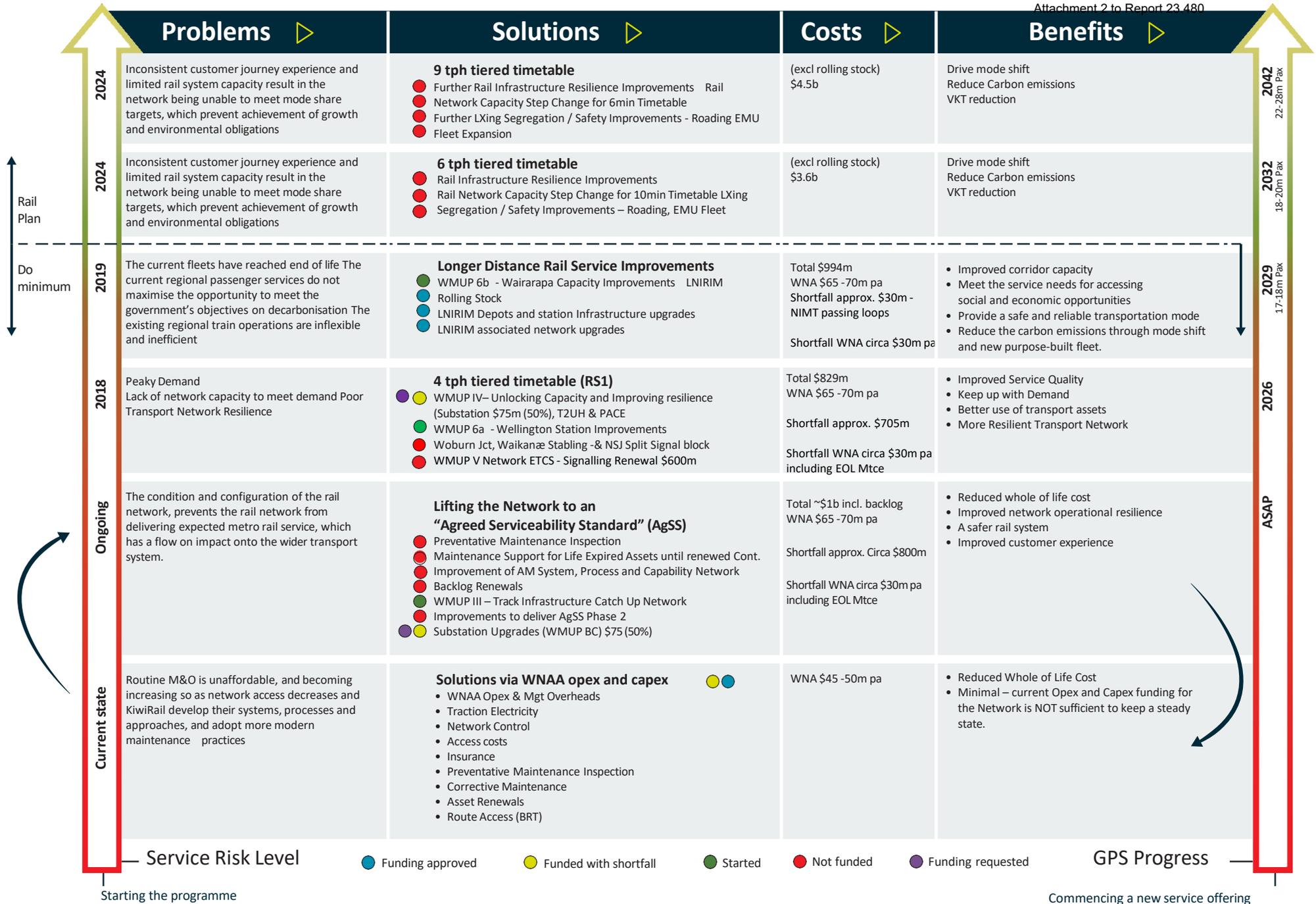
**Ngā kaiwaitohu**

**Signatories**

Writer	Fiona Abbott – Senior Manager Assets & Infrastructure, Metlink
Approvers	Samantha Gain – Group Manager Metlink

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council's roles or with Committee's terms of reference</i></b> While the Transport Committee has the responsibility to consider emerging issues and impacts, timing and the scale of concern necessitates this report coming to Council for consideration.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> Network conditions are necessary to achieve mode-shift targets in the Regional Land Transport Plan, Regional Public Transport Plan. The provision of public transport is a key activity in the Long Term Plan.
<b><i>Internal consultation</i></b> Metlink has consulted with the Legal & Procurement, and Corporate Risk & Assurance departments
<b><i>Risks and impacts - legal / health and safety etc.</i></b> Risks and impacts are set out in the body of the report

Wellington Rail Network Programmes v2														
Plan	Wellington Rail Programme Business (WLG Strategic Rail Plan)													
	Wellington Network Management Plan (NMP) FY25 - FY34							Rail Network Investment Programme (RNIP)	NZ Upgrade Programme (NZUP)			Regional Land Transport Plan		
Contract	Wellington Network Agreement (WNA)											LNIRIM (governance)		
Fund	Waka Kotahi (51%)		National Land Transport Fund (NLTF)										NLTF - GWRC Horizons - Crown	
Conduit	RNIP	GWRC (49%)		RNIP		GWRL pass-thought payment: <i>Transitional rail</i>		RNIP	RNIP		GWRC			
Programme	BAU Maintenance		Renewals Services		Backlog Renewals		WMUP III	WMUP IV	WMUP Subs	WMUP V	WMUP VI a	WMUP VI b	LNIRIM	
Description	Network Maintenance, Management and Network Control		Steady State Renewals		Backlog Renewals		Catch-Up track and Civil Renewals	Capacity and Resilience Upgrades	Capacity and Resilience Upgrades	New Signalling and Automatic Train Protection (ETCS)	Wellington Station Approaches'	Regional Infrastructure Enhancements	New Regional Trains and Infrastructure	
Scope	Planned asset maintenance & Inspection activities.		Asset renewals that are replaced at the optimised time to continue a 'steady state' network		All Network asset renewals that have fallen into backlog.		Wairarapa Line formation, track and drainage upgrades.	Trentham to Upper Hutt double tracking (T2UH)	New or Upgrades to Wellington traction substations. Required to operate a RS1 LNIRIM timetable. (Note: Originally in WMUP IV Programme)	New signalling system for Wellington Metro area.	Track and signalling upgrades entering Wellington Station.	New signalling system for the Wairarapa Line. (Featherston to Masterton)	Purchase new regional passenger rollingstock, replacing the exiting carriages on the Wairarapa and Manawatu lines.	
	Network Control and Operations						Remutaka & Tawa Tunnel track upgrades.	Porirua Area Capacity Enhancement (PACE)	European Train Protection System (ETCS) enabled.	Scope include, realigned crossovers and signals, Combined services route.	Additional passing loop at Woodside	Station and track upgrades		
	Management overheads, Insurance and Traction Electricity						Resleepering 12 short tunnels.				Level Crossing upgrades between Upper Hutt and Masterton	Depot and Maintenance facilities		
							Slope stabilisation.				Waingawa depot upgraded			
							Bridge replacements.							
Cost	?	\$366m	\$186m	\$107m	\$494m	\$174m	\$145m	\$131m	\$600-700m	\$114m	\$130m	\$172m	\$702m	
Timeline	Continuous (10 year totals shown) FY25 - 34					FY19 - 26	FY20 - 24	FY24 - 27 (FY31)	FY21 - 31	FY24 - 25	FY23 - 26	FY24 - 29		
Type	Maintenance		Renewal		Catch - Up Renewal			Improvements						
Delivery	KR Wellington Metro					KR Capital Projects and Asset Development (CPAD)							LNIRIM	



**Council**  
**7 December 2023**  
**Report 23.630**



**For Decision**

## **INSERTION OF HOUSING BOTTOM LINES INTO THE REGIONAL POLICY STATEMENT FOR THE WELLINGTON REGION**

**Te take mō te pūrongo**

**Purpose**

1. To advise Council of the insertion of housing bottom lines into the Regional Policy Statement for the Wellington Region (RPS).

**He tūtohu**

**Recommendations**

That Council:

1. **Adopts** the changes to the Regional Policy Statement for the Wellington Region to insert the updated housing bottom lines from the 2023 Wellington Regional Housing and Business Capacity Assessment Update using the format recommended by officers in Attachment 1, and the specific numbers from that report.
2. **Approves** the draft public notice in Attachment 2.

**Te horopaki**

**Context**

3. The National Policy Statement on Urban Development 2020 (NPS-UD) clause 3.6(2) requires Council to insert 'housing bottom lines' (HBLs) into the RPS without the use of Schedule 1 of the Resource Management Act 1991 (RMA).
4. HBLs state how much development capacity is required to meet expected housing demand in the region. They must be set for the short-medium term (0 to 10 years) and the long term (10 to 30 years) for Tier 1 and Tier 2 urban environments. In the Wellington Region this refers to the Wellington City, Porirua City, Hutt City, Upper Hutt City and Kāpiti Coast District councils.
5. Updated HBLs have been calculated as part of the 2023 update of the Housing and Business Development Capacity Assessment (HBA). The updated assessment was issued in September 2023.
6. The HBLs must be inserted into the RPS as soon as practicable after the report is publicly available without using Schedule 1 of the RMA – in other words, skipping the usual notification, submissions, hearings and appeals processes. The HBL numbers for each Tier 1 territorial authority must be inserted into its district plan.

## **Te tātaritanga Analysis**

7. The NPS-UD provides little direction on exactly where in the RPS the HBLs should go, or how they should be formulated. This leaves the details in the hands of Council. As part of updating the RPS with the 2021 HBLs (in December 2022), officers concluded that inserting a new objective into Section 3.9 of the RPS on regional form, design and function would be the best option. This amendment also included explanatory text following the objective, as well as a record of change near the start of the RPS. Accordingly, Objective 22A and Table 9A were inserted into the RPS on 9 December 2022.
8. The HBLs in Table 9A now require updating with the 2023 numbers. The 2023 HBLs reflect modelling estimates in the HBA, which show that by 2051 population growth and demographic change will require around 99,000 additional homes in the region (including the Tier 3 councils in the wider region (Horowhenua and Masterton Districts) and Carterton and South Wairarapa Districts).
9. A draft of the amendments to the RPS is included as [Attachment 1](#). Table 9A includes the Tier 1 council HBLs only, as this is what is required by the NPS-UD. The 2023 figures are lower than those introduced to the RPS in December 2022 for two reasons:
  - a Projected populated growth has slowed since the last HBA. In 2020 Sense Partners forecast a population increase for the region of around 250,000 by 2051. The 2023 forecast is 183,000 by 2052. The HBA used the 2022 projection of 200,000 as this is the median between the 2020 and 2023 projections.
  - b The housing market slowdown as a result of high inflation, material supply issues and labour shortages made it less economically feasible to develop housing in some parts of the region and this significantly influences the realisable capacity aspect of the modelling estimates in the HBA, resulting in an average reduction of 36%.
10. The 2023 HBLs for inclusion in the RPS are also lower than the modelling estimates in the HBA because these include the region's Tier 3 territorial authorities, and the NPS-UD only requires the inclusion of HBLs for the Tier 1 territorial authorities.
11. The NPS-UD requires that any changes to the RPS that are required to give effect to the HBLs must be made using a Schedule 1 process. No further changes to the RPS are required to give effect to the HBLs.

## **Ngā hua ahumoni Financial implications**

12. There are no immediate financial implications associated with this report.

## **Ngā Take e hāngai ana te iwi Māori. Implications for Māori**

1. The decision to insert HBLs into the RPS in and of itself does not have any specific implications for Māori. However, clause 3.23 of the NPS-UD requires that an HBA

includes an assessment of how well the current and likely future demands for housing by Māori are met, including the demand for different housing forms and typologies.

2. Section 1.9.2 of the HBA includes an assessment of existing Māori and non-Māori rates of home ownership in the Wellington Region. It does not assess likely future demand. The district-specific HBAs primarily refer to enabling papakāinga housing as a key action for enabling future housing for Māori. The authors of the 2023 HBA state that as assessment of likely future demand is to be worked through with the WRLC's iwi partners to inform future iterations of the HBA.
3. The draft Future Development Strategy (FDS) (which is informed by the 2023 HBA) includes Te Tirohanga Whakamua: He tauāki uara/wawata ā-iwi, ā-hapū hoki mō ngā whanaketanga tāone | Te Tirohanga Whakamua: a statement of iwi and hapū values and aspirations for urban development. The WRLC is to partner with WRLC iwi members on the delivery, monitoring and review of the statement and on monitoring implementation success from a ea o Māori perspective. The draft FDS strategic direction includes "realising iwi and hapū values and aspirations" in relation to urban growth and "areas of importance to iwi for development" is one of the five priority areas for development in the FDS.
4. The HBA is required by the NPS-UD to be prepared every three years, to inform each council's Long Term Plan. The FDS is also required by the NPS-UD to be reviewed (and updated if required) every three years for the same reason. The implementation plan required by clause 3.18 of the NPS-UD must be updated annually. It is to be expected, therefore, that the next iteration of the HBA will include more granular information about the likely future demand for housing for Māori and this may change the future HBLs for inclusion in the RPS.

### **Te huritao kit e huringa o te āhuarangi Consideration of climate change**

5. The matter requiring decision in this report was considered by officers in accordance with the process set out in Greater Wellington's Climate Change Consideration Guide 2020.
6. The proposed matter does not contribute to Council's and Greater Wellington's policies and commitments relating to climate change.
7. The proposed matter will not impact on greenhouse gas (GHG) emissions over its lifetime both corporately and regional, or on the targets for these.
8. There is no approach to reducing emissions, as this amendment will not generate emissions by itself.
9. There is no need to address impacts of climate change on the proposed matter over its lifetime or increase resilience as these do not apply to amendments to the RPS.

### **Ngā tikanga whakatau Decision-making process**

10. The Council has a statutory power to make the change and is directed to do so by the NPS-UD. The power to make the change has not been delegated and is retained by

Council, according to GW's Delegations Manual. Council therefore will need to approve the recommended amendments to the RPS as well as the public notice.

### **Te hiranga Significance**

11. Officers have considered the significance (as defined by Part 6 of the Local Government Act 2002) of this matter, taking into account Council's Significance and Engagement Policy and Greater Wellington's decision-making guidelines. Officers consider this matter to be of low significance.
12. There is minimal cost associated with the insertion of HBLs into the RPS and doing so aligns with Council's existing policies and strategies. Council is required to insert HBLs into the RPS without using the usual engagement process and has no choice in the matter. Furthermore, the implementation of HBLs falls predominately on territorial authorities. The region's territorial authorities are dependent on Council updating the relevant RPS text with the 2023 HBLs so they can then update their district plans.

### **Te whakatūtakitaki Engagement**

13. Council officers have been involved in ongoing engagement with counterparts at relevant territorial authorities as part of updating Housing and Business Development Capacity Assessment for 2023. Council officers informed the territorial authorities that the regional council is updating the RPS with the 2023 HBLs and that this is expected to occur in December 2023. They will then be able to update their respective district plans.
14. The territorial authorities have also been part of development of the FDS, which was prepared on the basis of the HBLs included in the HBA. The regional council chair, Daran Ponter, was also part of this forum.
15. Once the amendments are made to the operative RPS, public notice of the amendments will be published according to RMA section 55(2A). The draft public notice is included as [Attachment 2](#). The updated version of the operative RPS will be uploaded on the website to replace the current version, and this amendment will be recorded in the 'record of changes' on page 3 of the operative RPS.

### **Ngā tūāoma e whai ake nei Next steps**

16. If approved by Council, officers will make the changes to the RPS as soon as practicable after this decision and make necessary updates to the website. The public notice will be published as required, and territorial authorities will be informed of the amendments.

**Ngā āpitihanga**

**Attachments**

<b>Number</b>	<b>Title</b>
1	Housing Bottom Lines draft update to Objective 22A explanatory note and Table 9A.1
2	Housing Bottom Lines draft public notice

**Ngā kaiwaitohu**

**Signatories**

Writers	<p>Sarah Jenkin, policy consultant</p> <p>Matt Hickman, Principal Advisor, Strategy, Policy &amp; Regulation</p> <p>Mika Zollner, Senior Policy Advisor</p>
Approvers	<p>Nicola Arnesen – Kaiwhakahaere Matua Taiao   Manager, Policy</p> <p>Fathima Iftikar – Hautū Rautaki, Kaupapa Here me ngā Waeture   Director, Strategy, Policy, and Regulation</p> <p>Lian Butcher - Kaiwhakahaere Matua Taiao   Group Manager, Environment</p>

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council’s roles or with Committee’s terms of reference</i></b> Council must adopt the RPS and any changes to the RPS; therefore, the decision to insert the HBLs must be made by Council.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> Implementation of the national direction including the NPS-UD is a core resource management activity of the current LTP. Additional resources were allocated in the 2021 LTP to meet Council’s statutory obligations under the RMA.
<b><i>Internal consultation</i></b> There is no internal consultation associated with the insertion of HBLs into the RPS.
<b><i>Risks and impacts - legal / health and safety etc.</i></b> There are legal risks if Council does not meet its statutory obligations.

## Attachment 1 to Report 23.630

**Attachment 1 to Report 23.630 – Housing bottom lines amendments to operative RPS****Objective 22A**

To achieve sufficient development capacity to meet expected housing demand in the short-medium and long term in any *tier 1 urban environment* within the Wellington Region, the housing bottom lines in Table 9A are to be met or exceed in the short-medium and long term in the *tier 1 urban environment*.

Note: Objective 22A and Table 9A were inserted into the Regional Policy Statement directly under section 55(2)(b) of the Resource Management Act 1991, i.e. without reference to RMA Schedule 1, as directed by the NPS-UD. The short-medium term (2021-2031) and long term (2031-2051) housing bottom lines are drawn from the Housing and Business Development Capacity Assessment – Wairarapa-Wellington-Horowhenua – ~~May 2022~~ September 2023.

Table 9A: Housing bottom lines in the Wellington Tier 1 urban environment

Tier 1 local authority	Total additional dwellings	
	Short-medium term (2021-2031)	Long term (2031-2051)
Hutt City Council	<del>9,708</del> <u>6,450</u>	<del>15,064</del> <u>11,551</u>
Kāpiti Coast District Council	<del>6,123</del> <u>5,477</u>	<del>10,053</del> <u>8,411</u>
Porirua City Council	<del>5,916</del> <u>3,585</u>	<del>8,062</del> <u>6,303</u>
Upper Hutt City Council	<del>4,713</del> <u>2,958</u>	<del>7,510</del> <u>4,973</u>
Wellington City Council	<del>15,089</del> <u>11,337</u>	<del>21,532</del> <u>19,070</u>
<b>Wellington Tier 1 Environment Total</b>	<b><del>41,549</del> <u>29,807</u></b>	<b><del>62,221</del> <u>50,308</u></b>

**Attachment 2 to Report 23.630**

**Attachment 2 to Report 23.630 – Housing bottom lines draft public notice**

**PUBLIC NOTICE**

**Insertion of updated housing bottom lines into the Regional Policy Statement for the Wellington Region**

Wellington Regional Council has updated the housing bottom lines for the Wellington Tier 1 urban environments in the Regional Policy Statement (RPS). These updates have been directly inserted into the RPS under sections 55(2) and 55(2A) of the Resource Management Act 1991 (RMA).

Clause 3.6(4) of the National Policy Statement on Urban Development 2020 requires the housing bottom lines to be inserted into the RPS without using a process in Schedule 1 of the RMA (this means submissions cannot be made on these amendments).

The updated housing bottom lines have been calculated as part of the 2023 Wellington Regional Housing and Business Development Capacity Assessment (HBA). The 2023 HBA was issued in September 2023 and is available at <https://wrlc.org.nz/regional-housing-business-development-capacity-assessment-2023>. The updated housing bottom lines replace those that were directly inserted in December 2022 based on the 2021 Housing and Business Development Capacity Assessment.

The amendments are effective from **xxx (date of amendments)**.

For more information please see our website at <https://www.gw.govt.nz/your-region/plans-policies-and-bylaws/policies/regional-policy-statement/>.

**Council**  
**7 December 2023**  
**Report 23.641**



**For Decision**

## **ADOPTION OF GREATER WELLINGTON'S SIGNIFICANCE AND ENGAGEMENT POLICY 2023**

### **Te take mō te pūrongo**

#### **Purpose**

1. To present Council with Greater Wellington's updated Significance and Engagement Policy for adoption.

### **He tūtohu**

#### **Recommendations**

That Council:

1. **Adopts** Greater Wellington's Significance and Engagement Policy 2023 (Attachment 1).
2. **Authorises** the Chief Executive to make minor editorial changes to the Policy prior to publication, to correct errors and improve public understanding.
3. **Notes** that the Significance and Engagement Policy 2023 will be used to support the preparation of the consultation and engagement approach for the 2024-34 Long Term Plan.

### **Te horopaki**

#### **Context**

2. Under Section 76AA(1) of the Local Government Act 2002 (LGA), the Council must adopt a Significance and Engagement Policy.
3. The Significance and Engagement Policy is used to determine when, and how, Council engages with community on key issues and decisions.
4. The Council's current Significance and Engagement Policy (SEP) was adopted in October 2017 and amended in 2019. In preparation for the 2024-34 Long Term Plan, officers completed a review of the SEP and proposed some amendments to the policy.
5. Section 82 of the LGA requires Greater Wellington to consult when reviewing the SEP. On 30 March 2023, Council approved the proposed SEP 2023, along with the consultation document and supporting material, for public consultation (Report 23.109).

6. An independent review of the changes proposed to the SEP was also sought, to ensure it is compliant with legislation. Feedback from this review was incorporated into the version that was subsequently consulted on.
7. On 29 June 2023 Council considered the submissions received on the proposed SEP 2023 (Report 23.181) and agreed to proceed with the changes below:
  - a Changes to the Significance Criteria:
    - i The following criteria were re-worded to strengthen understanding: Impact on the Region; Community interest; and Level of alignment with plans and strategies.
    - ii The following criterion has been removed as it has been incorporated into other criteria: Consistency with existing Greater Wellington policy and strategy.
    - iii The following criteria have been added to provide ensure that our criteria meet the legislative definition of significance, to reflect best practice, and to capture the decisions or proposals that should require some level of community engagement: financial implications; change in level of service; new to Long Term Plan; mana whenua / Māori interest.
  - b Introduction of a new policy statement related to how we partner with mana whenua: "Council has six mana whenua partners across the Region. They sit alongside us at both governance and operational levels. As such, the way we work with our mana whenua partners is different to how we engage with community. When necessary, Council staff will refer to and consider internal guidance regarding partnering with our mana whenua.

### **Te tātaritanga**

#### **Analysis**

8. [Attachment 1](#) presents the final version of the SEP 2023 for Council's adoption.
9. Adopting the SEP 2023 will meet Council's obligations under the LGA, as referred to in paragraphs 2 to 5 above.
10. The SEP 2023, once adopted, will be used to inform the preparation of the 2024-34 Long Term Plan consultation document and consultation engagement approach.

### **Ngā hua ahumoni**

#### **Financial implications**

11. There are no specific financial implications related to the matter for decision.

### **Ngā Take e hāngai ana te iwi Māori**

#### **Implications for Māori**

12. The current SEP does not include adequate information about how Greater Wellington works with our mana whenua partners. The SEP 2023 makes it clear that Greater Wellington's six mana whenua partners sit alongside Council, at both governance and

operational levels, and notes that officers will apply a different approach to the general public when engaging with our mana whenua partners.

13. The SEP 2023 also includes a new significance criterion around the importance of decisions, proposals and activities to mana whenua and Māori.

### **Ngā tikanga whakatau**

#### **Decision-making process**

14. The matters requiring decision in this report were considered by officers against the decision-making requirements of Part 6 of the Local Government Act 2002.

### **Te hiranga**

#### **Significance**

15. Officers considered the significance (as defined by Part 6 of the Local Government Act 2002) of this matter, considering Council's current Significance and Engagement Policy and Greater Wellington's Decision-making Guidelines. Officers recommend that this matter is of medium significance, as the policy impacts the community and how we engage throughout the whole Council.

### **Te whakatūtakitaki**

#### **Engagement**

16. Greater Wellington consulted and engaged with the community on the proposed changes to the SEP from 3 to 26 April 2023 (in line with the requirements of Section 82 of the LGA).
17. The feedback and submissions received through the consultation were considered by the Council at its meeting on 29 June 2023 (Report 23.181) and Council agreed on the final changes to the SEP.
18. This Report is procedural in nature, seeking Council adoption of the final updated SEP and as such does not require any further public engagement.

### **Ngā tūāoma e whai ake nei**

#### **Next steps**

19. The SEP 2023 will be published on Greater Wellington's website, alongside other supporting policies for our Long Term Plan<sup>1</sup>.
20. The SEP 2023 will be socialised with staff across Greater Wellington and will be used to inform the development of the 2023-24 Long Term Plan consultation document and consultation engagement approach.
21. An internal engagement cohort will be established who will continue to work on building a cross-organisational engagement toolkit and further supporting guidelines for staff to support this updated policy.

<sup>1</sup> <https://ltp.gw.govt.nz/supporting-policies/>

**Ngā āpitihanga**

**Attachments**

<b>Number</b>	<b>Title</b>
1	Significance and Engagement Policy 2023

**Ngā kaiwaitohu**

**Signatories**

Writer	Zofia Miliszewska – Kaiwhakahaere Matua   Head of Strategy & Performance
Approvers	Matt O'Driscoll – Kaiwhakahaere Matua Pāpāho   Head of Customer Engagement Luke Troy – Kaiwhakahaere Matua Rautaki   General Manager, Strategy

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<p><b><i>Fit with Council's roles or with Committee's terms of reference</i></b></p> <p>Clause 32 of Schedule 7 of the Local Government Act 2022 (LGA) states that the Council is required to make decisions on adopting policies under the LGA.</p> <p>The Significance and Engagement Policy is required under Section 76AA of the LGA.</p>
<p><b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b></p> <p>The Significance and Engagement Policy is a supporting policy of the Long Term Plan.</p>
<p><b><i>Internal consultation</i></b></p> <p>The updated Significance and Engagement Policy was developed with input from across the organisation, with specific input from Democratic Services, Legal, Customer Engagement and Te Hunga Whiriwhiri.</p>
<p><b><i>Risks and impacts - legal / health and safety etc.</i></b></p> <p>An independent legal review was sought of the updated Significance and Engagement Policy to ensure it is compliant with legislation.</p> <p>There are no specific risks arising from this matter for decision.</p>



# Greater Wellington's Significance and Engagement Policy 2023



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## 1. Purpose: What is the Significance and Engagement Policy?

Council is responsible for making decisions on behalf of the Region, and for engaging with the community on significant decisions.

The role of the Significance and Engagement Policy is to set out Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters.

The level of significance of proposals and decisions will then guide **when and how** Council will engage with the community on them.

**'Determining when to engage'**: Which proposals and decisions the Council will engage with the community on.

**'Determining how to engage'**: The method and level of engagement Council will use to engage with the community on those proposals and decisions.

**Our mana whenua partners**: Council acknowledges that mana whenua are a part of the community. Part 3 of the Policy provides more details.

Council is required to adopt this Policy under Section 76AA the Local Government Act 2002 (the Act) and it is one of the supporting policies of the Long Term Plan.



## 2. Determining Significance

### 2(a): General approach to determining significance

#### What is 'significance'?

Significance is the degree of importance of an issue, proposal, decision, or matter, as assessed by the local authority. The local authority assesses importance in terms of its likely impact on, and likely consequences for:

- (a) the current and future social, economic, environmental, or cultural wellbeing of the region;
- (b) any persons who are likely to be affected by, or interested in the issue, proposal, decision, or matter;
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

#### What happens if a proposal or decision is deemed to be significant?

*A proposal or decision will be considered significant (or to have significant consequences) if it:*

- *results in the transfer of ownership or control of a strategic asset, as defined by the Act or listed in Schedule 1 of the policy, or;*
- *is assessed to have a high level of significance based on this policy's significance criteria (outlined in section 2(b)).*

If a proposal or decision is deemed to be significant, the Council will then engage with the community.

Council will consider the nature and significance of the proposal or decision when determining the level and method of engagement, and the level of resources and publication needed for that engagement.

Council is expected to comply with decision-making obligations in the Act. At a high level, Council's compliance with its legal obligations tends to be proportionate to the assessed level of significance. For highly significant matters, Council will be more rigorous in complying with its obligations.

#### When will Council assess significance?

Council will assess the significance of a proposal or decision early in the decision-making process, and review it, if necessary, over time.



## 2(b): Criteria to determine the level of significance

Significance is assessed on a case-by-case basis. The following non-exclusive list of criteria may be considered as part of the assessment of significance by the Council<sup>1</sup>.

### How will Council use these criteria?

In most assessments of significance, all the criteria will be relevant and should be considered. Depending on the circumstances, some criteria may be more relevant than others.

Typically, the higher the assessment against the criteria, the more significant the proposal or decision will be.

Having considered all the significance criteria, Council will make an overall judgement about the level of significance of the matter in each case. The outcome of the assessment will be a high, medium, or low level of significance for the proposal or decision. Typically, decisions or proposals that are assessed as having higher significance will require a higher level of engagement.

### Significance Criteria:

Criteria	Description	Key Considerations	Options
<b>Impact on the Region</b>	What level of impact will this issue, proposal, decision, or matter have on the current and future environmental, economic, cultural, and social wellbeing of the Region?	<ul style="list-style-type: none"> <li>The number of people, communities, organisations, businesses that are impacted by the decision or proposal</li> <li>The degree in which they are impacted by the decision or proposal</li> <li>Whether the decision is irreversible and would impact on future generations</li> </ul>	High, medium, low
<b>Community Interest</b>	To what extent do individuals, organisations, groups, or sectors have interest in, are already involved in, or are affected by, the issue, proposal, decision, or matter?	<ul style="list-style-type: none"> <li>High levels of previous or current public interest</li> <li>Large division in community views on the decision or proposal</li> <li>Whether there is a moderate impact on a large proportion of the community, or a high impact on a small proportion of the community</li> </ul>	High, medium, low
<b>Level of alignment with plans and strategies</b>	How aligned is this issue, proposal, decision, or matter with the priorities in the Financial Strategy, Infrastructure Strategy and Long Term Plan?	<ul style="list-style-type: none"> <li>The degree in which the decision or proposal works to achieve the priorities in the Long Term Plan</li> <li>The degree in which the decision or proposals is in line with the principles of the financial strategy and infrastructure strategy</li> </ul>	High, medium, low

<sup>1</sup> Council has [decision-making guidelines](#) which Council officers may use to assist them in providing advice to Council on the level of significance of proposals and decisions.



<b>Financial implications</b>	Does the cost of the issue, proposal, decision, or matter change (increase or decrease) OPEX by \$1.5 million or CAPEX by \$10 million.	<ul style="list-style-type: none"> <li>• High capital or operational expenditure</li> <li>• Alignment with current financial strategy</li> <li>• Whether the decision or proposals results in major increases in debt levels or rates</li> </ul>	Yes, No
<b>Levels of service</b>	Does the issue, proposal, decision, or matter change the level of service that Council is delivering to the Region?	<ul style="list-style-type: none"> <li>• The removal or major decrease of a service to the community</li> <li>• The addition or major increase of a service to the community</li> <li>• A major change in the way a service is being delivered to the community</li> </ul>	Yes, No
<b>New to Long Term Plan</b>	Does this issue, proposal, decision, or matter require additional budget or add a new service that is not in the Long-Term Plan?	<ul style="list-style-type: none"> <li>• Major capital or operating expenditure that is not planned for in the Long Term Plan</li> <li>• Changes in service delivery that are not in the Long Term Plan</li> </ul>	Yes, No
<b>Mana whenua / Māori interest</b>	Does this issue, proposal, decision, or matter impact, or hold cultural significance for, our mana whenua partners or mātāwaka in the Region?	<ul style="list-style-type: none"> <li>• Which mana whenua partners are in the areas of the Region that the decision or proposal impacts</li> <li>• The level of impact on those mana whenua partners, including areas that hold cultural significance to them</li> <li>• The impact of the proposal or decision on mātāwaka in the Region</li> </ul>	Yes, No

### Climate change

Council considers the impact of climate change in all its decision-making process. Climate change is an overarching issue that impacts all areas of work at Council, therefore it is considered across all the significance criteria in part 2(b).

### Outcome of assessment

Having considered all these criteria, Council officers will make an overall judgement about the level of significance of the matter in each case. The outcome of the decision will be a high, medium, or low level of significance for the proposal or decision, which informs whether Council should engage with the community, and if so what level of engagement Council should use.



### 3. Partnering with mana whenua

Council has six mana whenua partners across the Region. They sit alongside us at both governance and operational levels. As such, the way we work with our mana whenua partners is different to how we engage with community. When necessary, Council staff will refer to internal guidance regarding partnering with our mana whenua as different from the community engagement outlined in the Policy. Mana whenua partners will determine when and how they become involved in decisions, proposals, and projects.

### 4. Engagement

#### 4(a) Legislative requirements

When there is a legal requirement to engage with the community, Council will engage using the manner prescribed by law.

- When Council is required to conduct a special consultative procedure, section 83 of the Act will be followed.
- When Council is required to undertake consultation, the principles of consultation set out at section 82 of the Act will be followed.
- Council will follow any legal requirements from other legislation to engage (i.e., Resource Management Act, Land Transport Act, etc.) when required.

#### 4(b) How Council will engage

##### **Determining when and how to engage**

In making determinations about the form of engagement, Council will consider which level of participation works best for the decision concerned, bearing in mind the significance and nature of the particular decision and the wider circumstances.

Council will not engage on every proposal or decision. When not required by law, Council will engage when it considers the circumstances of the matter, proposal or decision warrant it, based in part on the assessed significance of the matter, proposal or decision, as outlined in this Policy.

The following principles will be considered when determining whether Council will engage, and the method of engagement Council will use:

- In general, a greater level of significance of a proposal or decision means it is more likely that the Council will undertake community engagement.



- When appropriate, Council will use different levels of engagement for different audiences depending on the interest or impact of the audience in the issue, decision, proposal, or other matter (for example, engaging more closely with a specific impacted group, while engaging more generally with the general public).
- Community preferences for engagement may be considered when determining the form of engagement.
- Decisions that are consistent with Council's Long Term Plan or another policy or plan that has been subject of consultation required by legislation, will not usually require further engagement.

In addition to the assessed significance of the matter, Council may consider other factors which could be relevant to considering whether to engage. For example, legislative requirements to engage, confidentiality of information, urgency of action required, expectations of the community, and capability and capacity of the Council.

#### **Determining the best method of engagement**

If Council decides to engage on a decision (and in the absence of legislative direction), it will then need to determine which form of engagement to use.

Where the Council or a committee is determining the level of engagement (rather than officers under delegated authority), Council's officers will refer to the Engagement Guidance in Appendix 1 and any relevant guidelines to assist them when providing advice to the Council (or committee) on the form of engagement.

#### **4(c) Reporting**

Every report to Council (or its committees) that seeks a decision will include an assessment of the significance of the proposal and any engagement that is proposed or has been undertaken, in accordance with this Policy and any other relevant guidelines. Staff will follow the instructions in the [Reporting Writing Guidance](#).

Where decisions are made by officers under delegated authority, without any report to Council or a committee, the approach to documenting the significance assessment is at officers' discretion. Officers are not obliged to record their significance assessments but should generally do so unless they consider it would not be helpful.

#### **4(d) Circumstances when Council might not consult or engage**

There may be situations where Council does not consult or engage. For example, when there is an urgent decision that puts people's health and safety at risk, would result in substantial loss or damage to property, or would mean substantial loss of opportunity to achieve Council strategic objectives. The situations where consultation/engagement may not occur are:



- Organisational decisions (i.e. staff changes and operational matters) that do not materially reduce a level of service
- Decisions that are consistent with Council's Long Term Plan or another policy or plan that have already been subject to consultation required by legislation or this policy
- Emergency management activities during a state of emergency
- Decisions taken to manage an urgent situation
- Decisions to act where it is necessary to:
  - comply with the law
  - save or protect life, health, or amenity
  - prevent serious damage to property
  - avoid, remedy or mitigate an adverse effect on the environment
  - protect the intensity of existing and future infrastructure and amenity
- any officer decisions that are made under delegations/sub-delegations
- entry or exit from a development agreement (private contract under section 207A Local Government Act 2002)
- decisions in relation to regulatory and enforcement activities.

When Council makes a decision that is significantly inconsistent with the Policy, the steps identified in Section 80 of the Act will be followed. This includes clearly identifying the inconsistency, the reasons for the inconsistency and any intention of Council to amend the policy or plan to accommodate the decision.

#### 4(e) Keeping the community informed

Council will provide information to the community about our final decision in a form appropriate to the significance of that decision and the level and form of the engagement already undertaken.



## Schedule 1: Strategic Assets

### Definition of Strategic Asset

Section 5 of the Local Government Act defines “strategic asset” as “an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future wellbeing of the community, and includes:

- a. any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
- b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c. any equity securities held by the local authority in
  - a. port company within the meaning of the Port Companies Act 1988:
  - b. an airport company within the meaning of the Airport Authorities Act 1966

A decision to transfer ownership or control of a strategic asset cannot be made unless it has first been explicitly provided for in the Long Term Plan (and the proposal has been included in a consultation document relating to the Long Term Plan).

Acquisition or disposal of a small component of a strategic asset<sup>2</sup> will not necessarily trigger the provision above (to include it in the Long Term Plan and in a statement of proposal relation to the Long Term Plan), unless it is considered that the component is an integral part of the strategic asset and that its acquisition or disposal would substantially affect the operation of the strategic asset.

### List of Council’s Strategic Assets

- Council’s regional bulk water supply network, including storage lakes, treatment plants, pipelines, and reservoirs
- Council’s flood protection assets on the region’s major waterways, including stopbanks
- Council’s regional parks and forests network (including water supply catchments)
- Council’s plantation and reserve forest lands (taken as a whole)
- Council’s ownership interest in CentrePort Limited (via the WRC Holdings Group)
- Council’s harbour navigation aids and communications systems (taken as a whole)

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<sup>2</sup> The use of the Significance Criteria outlined in section 2b of this Policy will assist in determining the significance of the acquisition or disposal of small or large strategic assets.



- Council's ownership, via the WRC Holdings Group, of rail rolling stock and other rail infrastructure required for the operation of the passenger rail system in the region (taken as a whole).
- Council's ownership of rail adjacent land holdings
- Also note we consider Wellington Regional Stadium Trust a strategic asset – we are a joint settlor of the trust with WCC

As of the 2022 Cabinet decision the Public Transport Operating Model (PTOM) is proposed to be replaced with the Sustainable Public Transport Framework (SPTF). The SPTF would give Council the option to extend ownership or control of public transport assets including buses and depots, therefore the strategic assets list in Schedule 1 may change depending on changes in this legislation.

The Three Waters reform will see the Council's regional bulk water supply network, including storage lakes, treatment plants, pipelines, and reservoirs etc, transfer to the East-Central Water Services Entity from 1 July 2024. Greater Wellington will not be a shareholder in the Entity, however all the Territorial Authorities in the Wellington Region will be.



## Schedule 2: Definitions

Community	<p>A group of people living in the same place or having a particular interest in common. This includes:</p> <ul style="list-style-type: none"> <li>• Communities of place (region, towns, suburbs, neighbourhoods)</li> <li>• Communities of interest (special interest groups).</li> </ul>
Decisions	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation.
Engagement	Engagement means the process of providing information and seeking feedback from members of the community to inform and assist decision-making. In essence, anything that the Council does to identify the views and preferences of people in the community.
Significance	<p>As defined in Section 5 of the Act “in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:</p> <p>(a) the current and future social, economic, environmental, or cultural well-being of the district or region:</p> <p>(b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:</p> <p>(c) the capacity of the local authority to perform its role, and the financial and other costs of doing so”</p>
Significant	As defined in Section 5 of the Act: “in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance”



## Version Control

This Significance and Engagement Policy will be formally reviewed every three years.

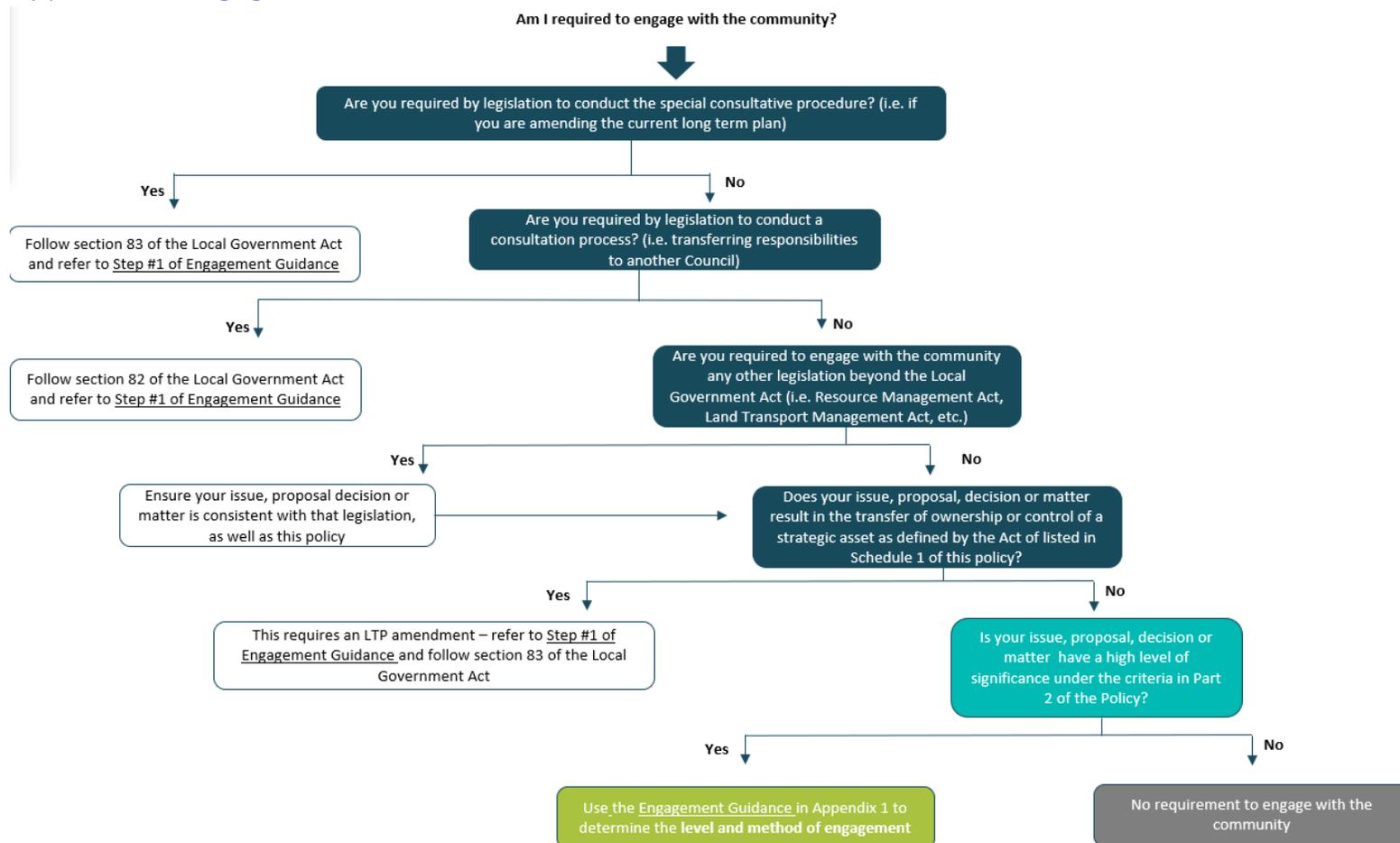
Minor updates will be made from time to time and noted in this version control as such.

The Council adopt the Significance and Engagement Policy in accordance with Section 76AA the Local Government Act 2002.

Policy Adopted	2014
Version 2 adopted	31 October 2017
Version 2a (Policy Amended)	21 August 2019
Version 3 adopted	7 December 2023

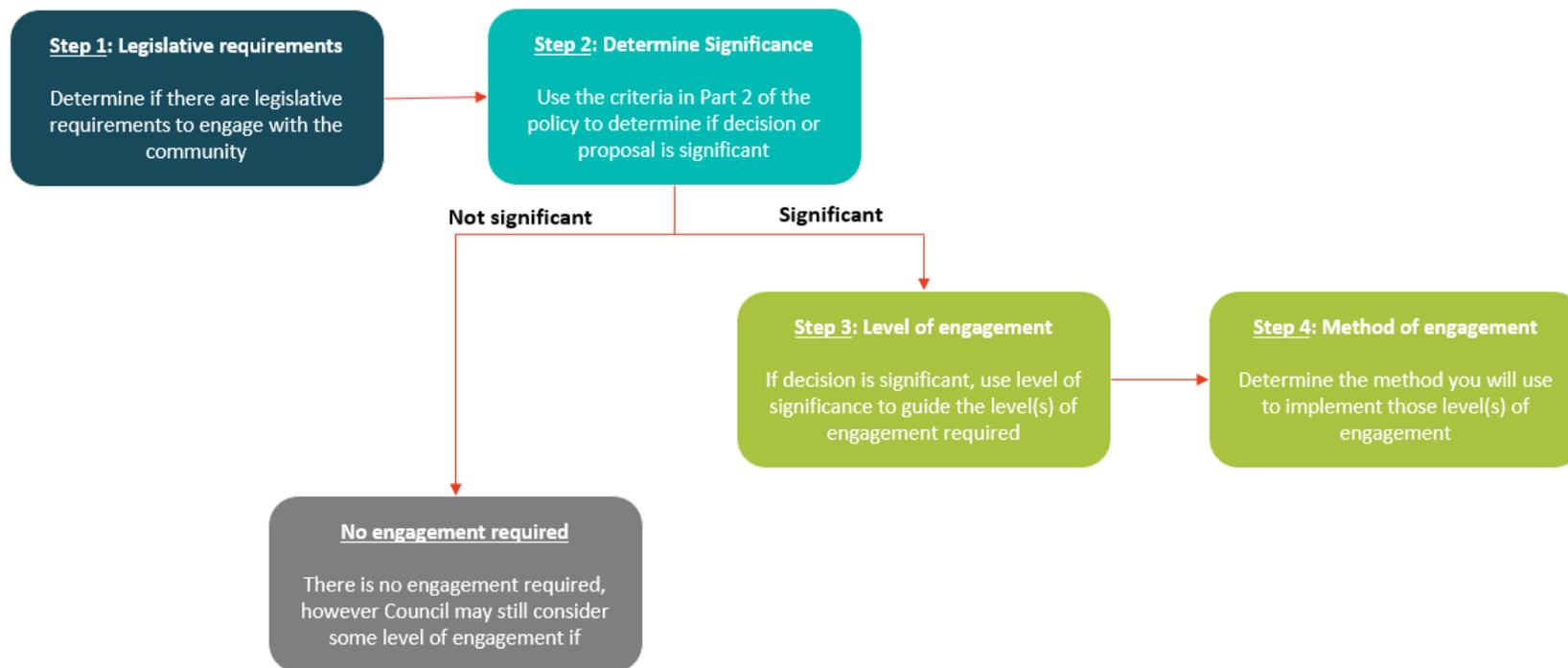


## Appendix 1: Engagement Guidance





The Engagement Guidance includes **four steps** each with guidance and support for staff to determine the level and method of engagement.





## Step 1: What are the legislative requirements?

The Local Government Act 2002 (Act) requires consultation on certain decisions; therefore, it is important to determine whether the type of decision being made has any specific consultation requirements.

- **Special consultative procedure** will be used for the adoption of the required plans and processes as outlined in the Act. This includes but is not limited to adopting or amending the Long Term Plan and adopting, amending, or revoking bylaws of significant interest to or impact on the public. When conducting a special consultative procedure section 83 of the Act will be followed.
- **Consultation** with the public is required under the Act for several decisions, including but not limited to adopting an Annual Plan with significant changes from the Long Term Plan, the review of all LTP supporting policies (i.e. the significance and engagement policy, the revenue and financing policy, etc.), a transfer of responsibility, and establishing council-controlled organisations. When conducting any consultation, section 82 of the Act will be followed.
- **All decisions** made by the Council need to follow sections 76 – 82 of the Act.

There is other legislation that has specific requirements for engagement such as the Resource Management Act 1991, Reserves Act, and the Land Transport Management Act 2003. It is important to understand if the relevant decision has additional requirements under other legislation.

## Step 2: What is the level of significance and materiality?

Assess the decision against the criteria in part 2(b) of the policy and determine the level of significance

### Additional Considerations:

- **If it is a large project with several decisions within the project each decision should be assessed separately** (i.e. A major project may have varying levels of engagement for each decision that was made)
- **Make sure to record the assessment of significance** as Council may ask to see the assessment, or there could be requirements to provide it through an information request from the public

**Step 3: What should the level of engagement be?**

Level of significance does not directly map onto level of engagement, therefore Council Officers should use this section as guidance to determine what level of engagement they should do, considering their levels of significance but also the nature of the decisions, the community they are engaging with, and any other relevant factors.



**Key considerations:**

- Typically, the higher level of significance the higher the level of engagement and resource required.
- The levels of engagement work cumulatively – if you are taking the ‘collaborate’ approach then this should include elements of the inform and consult approach as well.
- Consider different levels of engagement for different groups. For example, collaborate with a specific Group who are greatly impacted by your decision, and engage with the rest of the public.
- Engagement on decisions of higher significance should be a multi-step process. For example, engage with a sample of the community to inform the development of the plan, before running a formal consultation with the whole community.
- You can still decide to do a high level of engagement even if your decision is a low/moderate significance and materiality

<b>Inform</b>	We inform you of our decision
<b>Non-statutory Consultation</b>	You provide feedback that inform decisions
<b>Statutory Consultation</b>	Legally required consultation under the Local Government Act
<b>Collaborate</b>	We decide together
<b>Empower</b>	You decide



**Step 4: What should the method of engagement be? (Continued)**

Use the table below to learn more about each engagement method, including best practices examples (note many best practice methods can be used for multiple different engagement methods, and should only be used as a starting point to develop a more comprehensive engagement plan)

Engagement Method	Implementation	Examples of previous projects/programmes	Tools for Engagement
<p><b>Inform</b> <i>We inform community of our decision</i></p>	<p>The inform approach communicates low significance decisions that in an accessible way to the community/relevant groups.</p>	<p>Civil defence preparedness Annual Reports Communicating changing regulations in the Essential Freshwater Package</p>	<p>Newsletters in mailboxes across the Region</p> <p>Information sessions at community centers/libraries/farmers markets etc.</p> <p>Drop-in sessions for community to ask questions</p> <p>Making information available on the GW website</p> <p>Creating fact sheets for each area of the Region</p> <p>Visual infographics to distribute to the community</p> <p>Guest Speaker Seminars – inviting stakeholders and interest groups to hear from a guest speaker on the relevant topic</p>
<p><b>Non-Statutory Consultation</b> <i>Community provides feedback on ideas or proposals that inform decisions</i></p>	<p>Council would conduct a non-statutory consultation on a decision or proposal that Council officers deem to be of high significance or feel requires the input and feedback from the community.</p>	<p>Annual Plan</p> <p>Regional Land Transport Plan</p> <p>Gaining early feedback/opinions to inform the development of a strategic plan (LTP, RLTP, etc.)</p>	<p><i>All the 'inform' tools above can be used in an engagement, as well as the additional tools below:</i></p> <p><a href="#">Greater Say community panel survey</a> – regular survey to online citizen panel on a variety of Council topics (this is used to as a pre-engagement tool to shape the direction of a plan, rather than get specific feedback)</p> <p><a href="#">'Have Your Say'</a> platform which is used across the organisation to get public feedback on a plan/policy etc.</p>



			<p>Reference Groups (for example the Public Transport Users Reference Group)</p> <p>Focus Groups/facilitated workshops – this is easier to do with stakeholders and interest groups</p> <p>Facilitating conversations between Council and community through workshops, online panels, events, speakers etc.</p>
<p><b>Statutory Consultation</b></p> <p><i>Legally required formal consultation under the Local Government Act</i></p>	<p>Statutory consultation is formal engagement process – the requirements of a statutory consultation are clearly outlined in the Local Government Act (2002). This includes elements such as providing a consultation document with relevant information and running hearing and deliberations with Council.</p> <p>Council will follow statutory consultation under the following circumstances:</p> <ol style="list-style-type: none"> <li>1. When the LGA requires Councils to conduct a <b>special consultative procedure</b> (i.e. on statutory plans such as the Long-Term Plan (LTP). The special consultative procedure is outlined in section 83 of the</li> </ol>	<p>Long Term Plan (LTP)</p> <p>Annual Plans (that outline significant changes to that year of the LTP)</p> <p>Regional Public Transport Plan</p> <p>Toitū te Whenua Parks Network Plan</p> <p>Regional Navigations Safety Bylaws</p> <p>Revenue and Financing policy</p> <p>Resource Management Charging policy</p>	<p><i>All the tools above can be used in a consultation, with the addition of the following formal tools:</i></p> <p>Consultation document with supporting information (required under the special consultative procedure)</p> <p>Hearings or other processes to allow submitters to be heard with Council (required under the special consultative procedure)</p> <p>Smartsheet Forms – often used for formal special consultation to have one platform to record process right through to hearings and deliberations</p>



	<p>Local Government Act (2002).</p> <p>2. When the LGA requires Council to conduct a <b>consultation process</b> (i.e. reviewing a statutory policy). The principles of consultation are in section 82 of the LGA.</p>		
<p><b>Collaborate</b></p> <p><i>Community and Council decide together</i></p>	<p>The Council provides community with options and listens to what they want before making the final call.</p>	<p>Whāitua Committees</p> <p>Recloaking Papatūākuku Restoration Plans</p> <p>Park Master Planning</p>	<p><i>All the tools above can be used in an engagement, as well as the additional tools below:</i></p> <p>Workshop with specific community Groups</p> <p>Citizen assemblies</p> <p>Committees or working groups with both Council and community representatives</p>
<p><b>Empower</b></p> <p><i>Community decides</i></p>	<p>Community makes the decision</p>	<p>Referendum</p> <p>Local body elections</p>	<p><i>All the tools above can be used when empowering the community to vote on a decision</i></p>

**Council**  
**7 December 2023**  
**Report 23.624**



**For Decision**

**LOW CARBON ACCELERATION FUND ALLOCATION FOR PARKS RESTORATION  
 2025-27**

**Te take mō te pūrongo**

**Purpose**

1. To seek approval for additional funding from the Low Carbon Acceleration Fund (LCAF) towards the Recloaking Papatūānuku Restoration Project (RPRP), to be used over the financial years 2025-2027.

**He tūtohu**

**Recommendation**

That Council **approves** a further allocation of \$2.6 million from the Low Carbon Acceleration Fund towards the Recloaking Papatūānuku Parks Restoration Project for the 2025/26 and 2026/27 financial years.

**Te horopaki**

**Context**

2. The project to retire grazing and restore native vegetation in Regional Parks (the Recloaking Papatūānuku Parks Restoration Project (RPRP)) started in 2020/21 and has been allocated a total of \$8.0 million funding from the LCAF so far. The project aims to restore a total of 1,500 hectares of land in Regional Parks over ten years. The rate of restoration has been increasing, as set out in Table 1 below:

Year	Area planted (Ha)	No. plants
2021/22	28	46,500
2022/23	43	158,000
2023/24 (as at November 2023)	105	272,000
<b>Total</b>	<b>176</b>	<b>476,500</b>

*Table 1*

3. Funding has been used for planning and employing a three-year fixed-term programme lead role, as well as restoration work such as sourcing and planting seedlings, removing fences and pest control.
4. The original intention was for funding for the project to change over from LCAF funding to rates funding from 2024/25. However, because of delivery delays the original allocation of \$8.0 million will take until the end of 2024/25 to be completely spent.

Because of the pressure on rates funding, it has been proposed that a further allocation of \$2.6 million from the LCAF, 50 percent of the costs of the RPRP for 2025-27, is sought to ensure that the current agreed programme of delivery can be completed.

5. This proposal was discussed with Councillors and mana whenua members of the Long Term Plan Committee, at their 2024-34 Long Term Plan Committee Workshop on 24 October 2023, and they expressed a preference for using further funding from LCAF to ensure that the delivery of the RPRP can continue at the previously agreed rate.
6. The proposal was endorsed by the Climate Emergency Response Programme Board, which recommended that the proposal be presented to Council for decision. The Climate Committee would normally consider LCAF proposals before Council; however the Committee is not scheduled to meet again until late March 2024.

**Te tātaritanga  
Analysis**

***LCAF size***

7. The LCAF is sufficiently large to support this allocation within its existing settings and leave funds available (~\$1.0 million currently) for other projects, as shown in Table 2. At present there are no other projects or proposals that have been identified through the development of the Long Term Plan 2024-34 draft work programme that appear to fit the current LCAF criteria and would benefit from offsetting rates requirement by making use of the LCAF. The exception is Metlink’s bus electrification programme; however, this requires funding well beyond what is available via LCAF.

\$70.80	Price/NZU 27 November 2023
255,660	free allocation NZUs supporting LCAF
\$18,100,728	Total fund size
\$12,670,510	Total funds under 70% cap <sup>1</sup>
\$9,069,151	Total allocated to date <sup>2</sup>
<b>\$3,601,359</b>	<b>Remaining funds under 70% cap</b>
\$5,430,218	Value over cap (other 30%)

*Table 2*

8. This allocation to the RPRP can be justified based on the LCAF criteria, as it is a continuation of a project that met the criteria when it was first approved for funding. It reduces Greater Wellington’s organisational emissions, has a wide range of co-benefits, and has a risk mitigation plan.

***Cost per tonne of emissions saved***

9. The target for restoration over two years of this stage of the programme is 300 hectares of grazing retirement and restoration. This is a reasonable assumption of what will be

<sup>1</sup> The 70% cap or allocation limit was established via a Council decision in report 22.66 on 24 February 2022.

<sup>2</sup> Note ‘allocated’ funding is reserved for approved projects but at any given time is only partially spent.

achieved for the investment in the programme of \$5.2 million (half of which would be from LCAF).

10. Mature indigenous forest in our Regional Parks sequesters at estimated 351 tonnes of CO<sub>2</sub> per hectare once fully mature. For 300 hectares, the total emissions removal would be 105,300 tonnes. Assuming retirement of grazing on this land will happen 10 years earlier than if this funding was not secured adds 8,210 tonnes of CO<sub>2</sub>e of emissions reduction.
11. Therefore, the costs per tonne of emissions abated by the investment is approximately \$46/tonne CO<sub>2</sub>e. This compares favourably to the current NZU (emission unit) spot price of \$71.60.

**Strategic significance**

12. Emissions modelling shows that it is not possible for Greater Wellington to meet its emissions targets if the RPRP is slowed down, as shown in the figure below. Therefore, supporting the programme is of crucial strategic significance to achieving these targets. Likewise, restoration work and grazing retirement are priorities for the Toitū Te Whenua Parks Network Plan.

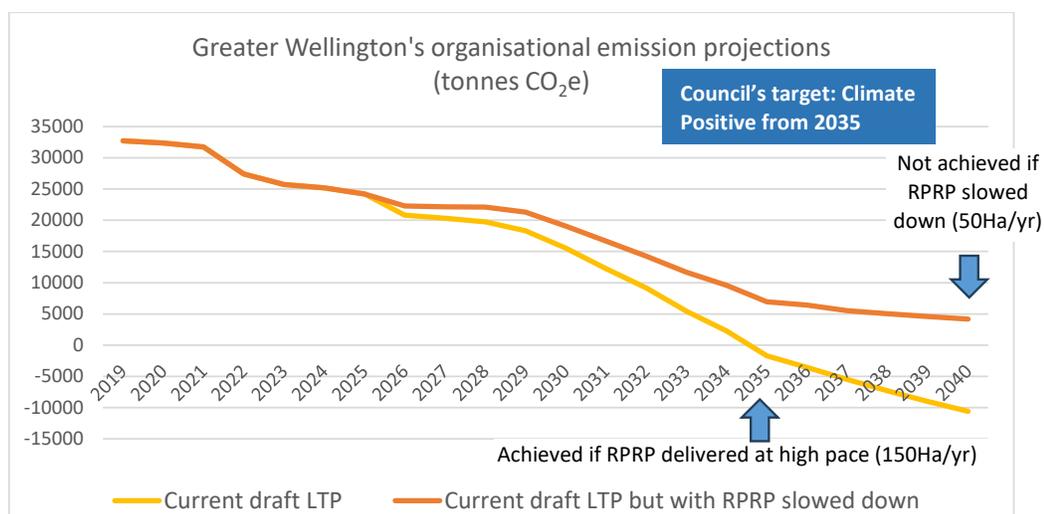


Figure 1 – Organisational emissions projections excluding Greater Wellington’s shares of Wellington Water Limited, CentrePort Limited and Sky Stadium.

**Likelihood of successful delivery**

13. Supporting the programme to continue now increases the likelihood of successful delivery. The programme has been steadily building over the three establishment years. Relationships have been strengthened and processes have been put in place to support the increased delivery and plant procurement, through the establishment of the Restoration Services Panel. Additional resource to support the increased rate of delivery of planting has been incorporated into the proposal for the establishment of a planting operations team in the Western side of the Region.
14. The project lead role is current vacant, presenting a significant risk to the successful delivery of the RPRP. Increasing the certainty of funding via the proposed additional

allocation of LCAF support will enable a 3-year project lead or permanent programme lead to be recruited and appointed as soon as possible to minimise this delivery risk.

15. If it takes longer than two years 2025/26 and 2026/27 to spend the additional \$2.6 million allocation, the programme could continue to use the remainder the following year, as they have with the first \$8 million. While LCAF allocations do not expire and are not tied to annual budget approvals, a decision would need to be made whether to carry forward the rates portion of programme funding if unspent.

## **Nga kōwhiringa Options**

16. As discussed with the Long Term Plan Committee, there are three clear options for progressing the RPRP beyond 2024/25:
  - a. Maintain the current planned programme of delivery at the targeted pace of 150 hectares per annum using an allocation of \$2.6 million from the LCAF (which amounts to 50 percent of the total costs of the RPRP) across 2025/26 and 2026/27 **(Recommended Option)**
    - i. This option helps Greater Wellington achieve its emissions reduction objectives and Toitū Te Whenua objectives while reducing rates pressure. However, it reduces the amount of LCAF funding for other projects.
  - b. Maintain the current planned programme of delivery at the targeted pace of 150 hectares per annum but fund the 2025/26 and 2026/27 financial years entirely from rates. **(Status Quo)**
    - i. This option has the same outcomes as the first option for our Regional Parks but with higher rates impact. This will impact on either other Council work (to minimise rates rises) or lead to higher rates requirement for the community to pay. It is also unclear if better proposals for using the LCAF than supporting the RPRP will emerge.
  - c. Slow down the planned programme of delivery from 2024/25 onwards to a reduced pace of 50 hectares per annum. This would be entirely funded from rates however the slower pace of delivery would lower the annual rates requirement. **(Not recommended)**
    - i. This option is likely to prevent council achieving its emissions reduction objectives (illustrated in Figure 1 above). It is also likely to be more costly overall due to being less efficient than a faster programme.
17. There are no other available funding sources that could be used to alleviate the ongoing rates impact of delivering this programme of work at this time.
18. Funding a greater proportion of programme costs for 2025-27 from LCAF (to reduce rates impacts further) is another possible consideration, however this would delay the transition of this programme from LCAF to rates funding further and may also lead to Council exceeding its self-imposed 70 percent cap on LCAF allocations, put in place to mitigate the risk of the NZU price dropping. It could also prevent any other LCAF-eligible programmes or projects from being able to access any LCAF allocations in the future as the total allocation of the fund could be expended, again depending on the NZU price.

## **Ngā hua ahumoni**

### **Financial implications**

19. These are discussed above. Further LCAF funding allows the RPRP to continue while reducing pressure on rates. The degree of rates support towards the programme is being determined through the 2024-34 Long Term Plan process. The current proposed approach (see paragraph 16a – Recommended Option above) means that 50 percent of the costs for 2025-27 (\$2.6 million) will be met from rates and the remaining 50 percent from LCAF.
20. The LCAF will still have capacity to support other emissions reduction projects in the future if the proposed allocation (See paragraph 16a – Recommended Option) is made, provided the NZU price does not drop significantly.

## **Ngā Take e hāngai ana te iwi Māori**

### **Implications for Māori**

21. Our six mana whenua partners are represented on the Long Term Plan Committee and participated in the Committee Workshop on 24 October 2024 where this issue was discussed and feedback was provided by the Committee.
22. Reduced LCAF funding may limit opportunities for mana whenua to provide restoration services for the Recloaking Papatūānuku Programme. Two Iwi partners are providing restoration services via contractors currently and we are in discussion with a third. Through the Recloaking Programme Council has committed to supporting mana whenua and marae based nurseries to deliver restoration services (and upskill and expand operations if desired).
23. We anticipate no other direct implications for Māori as a result of the decision being sought.

## **Te huritao ki te huringa o te āhuarangi**

### **Consideration of climate change**

24. The proposal contributes to Council's and Greater Wellington's policies and commitments relating to climate change.
25. The proposal will help avoid 8,210 tonnes CO<sub>2</sub>e of grazing emissions and bring forward sequestration of 105,300 tonnes of CO<sub>2</sub> by at least three years.
26. The approach to reducing emissions from the proposed applications over their lifetime is to change land use in our Regional Parks. We will retire grazing and restore the natural ecosystems that would have been present at those sites.
27. Climate change impacts have the potential to impede progress with environmental restoration. The RPRP has taken this into account, and has strategies to deal with climate impacts, such as increased drought and pest numbers.

### **Ngā tikanga whakatau**

#### **Decision-making process**

28. The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act).

### **Te hiranga**

#### **Significance**

29. Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.
30. Officers have considered the significance of the matter, taking the Council's significance and engagement policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance due to the fact that the recommended option enables the current programme of work to continue as already planned and communicated to the community through the 2021-31 Long Term Plan.

### **Te whakatūtakitaki**

#### **Engagement**

31. The RPRP is an ongoing piece of work which the public were consulted on as part of the 2021-31 Long Term Plan. Further engagement with the public on the pace of this programme will happen as part of the Long Term Plan 2024-34 public consultation in early 2024.

### **Ngā tūāoma e whai ake nei**

#### **Next steps**

32. The RPRP will be included in the draft Long Term Plan 2024-34 budget reflecting the decision made by Council in this report. The draft budget is consulted on as part of the Long Term Plan 2024-34 public consultation in early 2024.

### **Ngā kaiwaitohu**

#### **Signatories**

Writer	Jake Roos – Kaiwhakahaere Matua   Manager Climate Change
Approvers	Zofia Miliszewska – Kaiwhakahaere Matua   Head of Strategy and Performance Luke Troy – Kaiwhakahaere Matua Rautaki   Group Manager Strategy

<p style="text-align: center;"><b>He whakarāpopoto i ngā huritaonga</b> <b>Summary of considerations</b></p>
<p><b><i>Fit with Council’s roles or with Committee’s terms of reference</i></b></p> <p>Council is responsible for final decisions to allocate funding from the LCAF to projects.</p>
<p><b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b></p> <p>Approving funding would contribute directly to Greater Wellington achieving its goals of being carbon neutral as an organisation from 2030 and climate positive by 2035. It will contribute to the Long Term Plan 2024-34 climate change focus area and help deliver the objectives of the Toitū Te Whenua Parks Network Plan.</p>
<p><b><i>Internal consultation</i></b></p> <p>The proposal for funding was developed in consultation with the Rōpū Taiao Environment Group and the Finance team.</p>
<p><b><i>Risks and impacts - legal / health and safety etc.</i></b></p> <p>There are no identified risks relating to the content or recommendations of this report.</p>

**Council**  
**7 December 2023**  
**Report 23.642**



**For Information**

**GOVERNMENT'S POLICY DIRECTION – UNDERSTANDING WHAT IT MEANS FOR GREATER WELLINGTON**

**Te take mō te pūrongo**  
**Purpose**

1. To inform Council of the new Government's policy direction.

**Te tāhū kōrero**  
**Background**

2. The General Election was held on 14 October 2023 with the final results issued on 3 November 2023. Following the results, three parties entered into coalition negotiations (National, ACT and NZ First).
3. Coalition negotiations have concluded; the government consists of a formal three-party coalition. Coalition agreements have been signed and released publicly on 24 November 2023.
4. The Coalition Agreements and National's original 100-day plan give an indication of the policy direction to be expected under the new administration and are the basis for this paper.
5. The paper highlights key areas of interest to Council that is covered as standard in our reporting (such as climate change, Māori outcomes and impacts on finances). Further detailed advice will be provided to council, especially around public transport and environment matters, as more detail emerges.

**Te tātaritanga**  
**Analysis**

6. [Attachment 1](#) to this report sets out a table of policy direction that is relevant to Greater Wellington and how this may affect work programmes. This is an initial review and officers will be coming back to you with further detail on changes to specific work programmes. [Attachment 2](#) sets out a summary prepared by Te Uru Kahika for the regional sector.
7. In summary, the government direction includes (and noting that the Environment and Climate Change portfolios now sit with a Minister outside cabinet):
  - Public transport and regional transport planning:
    - Remove central government support for Let's Get Wellington Moving.

- A new and updated Government Policy Statement reflecting new Roads of National Significance and public transport projects including two new roads in the Wellington region i.e. 'Second Mt Victoria Tunnel and Basin Reserve upgrade' plus 'Petone-to-Grenada and Hutt Valley Cross link', as well as a new State Highway Investment Proposal (SHIP).
- Upgrades to SuperGold card and concession policies.
- Replace fuel excise taxes with electronic road user charges for all vehicles, starting with electric vehicles.
- Introduction of "Essential Worker" workforce planning for immigration (e.g. driver workforce).
- Infrastructure reforms impacting the planning and funding of public transport infrastructure for new housing and urban development.
- Energy policy and sectoral reforms.
- Replace the current speed management rule and roll-back speed limit reductions.
- Resource Management Act (RMA) and environment (RM reform to move forward under Minister Chris Bishop as a separate portfolio):
  - Repeal the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023 by Christmas.
  - Amend the Resource Management Act 1991 to "make it easier to consent new infrastructure including renewable energy, allow farmers to farm, get more houses built, and enable aquaculture and other primary industries".
  - Replace the Resource Management Act 1991 with new resource management laws premised on the enjoyment of property rights as a guiding principle.
  - Institute long-term city and regional infrastructure deals, allowing PPPs, tolling and value capture rating to fund infrastructure.
  - Replace the National Policy Statement for Freshwater Management (NPS-FM) to rebalance Te Mana o te Wai to better reflect the interests of all water users.
  - Make it possible for district councils to be exempt from NPS-FM obligations as practicable.
  - Stop the implementation of Significant Natural Areas and review current ones, together with a review of the NPS-IB.
  - Support for farm environment plans administered by regional councils and targeted at a catchment level, adopt standardised farm level reporting, "cut red tape and regulatory blocks" on irrigation, water storage, managed aquifer recharge and flood protection schemes.
  - Introduce financial incentives for councils to enable more housing, including considering sharing a portion of GST collected on new residential builds with councils.
  - Legislate to make the Medium Density Residential Standards (MDRS) optional for councils, with the need for councils to ratify any use of MDRS, including existing zones.
- Te Tiriti / Māori outcomes:

- Treaty Principles Bill introduced to Parliament as soon as possible and will focus on the removal of the Principles from all legislation. Support from parties to Select Committee stage.
  - Re-introduce the need for a local referendum prior to the establishment or use of Māori wards.
  - Affordable Waters reform:
    - Repeal existing Affordable Waters legislation and introduce a revised approach.
  - Climate change:
    - Maintain a split-gas approach to methane and carbon dioxide through to 2050 and review the methane science and targets in 2024 and enable farmers and landowners to offset sequestration against their on-farm emissions.
  - Infrastructure:
    - Establish a National Infrastructure Agency.
    - Introduce a Regional Infrastructure Fund with \$1.2 billion in capital funding.
    - Roads of National Significance programme re-introduced.
8. The above policy direction indicates a significant change to areas of interest to Council. Many policy areas will require development and further consultation with Te Uru Kahika, our partners, the region's territorial authorities, and the wider public.

#### **Financial implications of the Government's policy direction**

9. The shifting of priorities for central government expenditure and the introduction of new policies with financial dimensions will influence Greater Wellington's budgetary position.
10. Pending review of the Government Policy Statement on Land Transport, it will have implications for Waka Kotahi funding for regional transport projects and initiatives. This is because there are already significant restrictions on available funding from the National Land Transport Fund, including the significant debt servicing from 2027 that is expected to further reduce available funding. Further specifics are currently unknown, and officers will bring further advice to Council as this becomes clear.
11. The new government has already instigated an 'immediate stop-work notice' placed on all Affordable Waters work. This has minor impacts to staff resources and processes at Greater Wellington as they are funded through the transition funds which have been secured regardless of the new government's change in direction. The impacts may be more significant for Wellington Water as they had to recruit significantly more resource to assist them (and the shareholding councils) through the reform process.
12. Greater Wellington will continue to include Bulk Water Supply in the Long Term Plan and Financial Strategy. However, the increasing cost pressures of delivering bulk water will be an affordability challenge for local government in the region and is likely to require government funding assistance or a change to the ownership and funding mechanisms at some point in the near future.

13. Regional/City Deals may offer a funding route to address regional infrastructure funding shortfalls but would need to be negotiated with the new government. At this time, the shape and structure of regional/city deals are uncertain.

### **Implications of the Government's policy direction for Māori**

14. The new policy direction will have major impacts on Greater Wellington's mana whenua partners and Māori in general.
15. The government has stated it will honour the undertakings made by the Crown through past Treaty of Waitangi settlements. Four of six of our mana whenua partners who have settled their Treaty of Waitangi historical claims with the Crown will benefit from this approach. However, it is unclear what this means for Greater Wellington's two remaining partners who are at various stages of their settlement processes.
16. The government has signalled it will conduct a comprehensive review of all legislation that includes "The Principles of the Treaty of Waitangi" and replace all such references with specific words relating to the relevance and application of the Treaty or repeal the references. This will impact on our statutory documents that refer to the Principles (such as the Regional Policy Statement). The broader implication of this is unknown at this stage and there is a long way to go through policy development and Select Committee (which Council may wish to submit to).
17. Council resolved to establish a Māori Constituency for the 2025 and 2028 elections at its meeting on 26 October 2023 (Report 23.539). The Council's resolution followed expressions of support for the establishment of the Māori Constituency from each of Greater Wellington's six mana whenua partners.
18. The government has confirmed it will restore the right to local referendum on the establishment or ongoing use of Māori wards/constituencies, including requiring a referendum on any wards established without referendum at the next triennium local elections. Depending on the detail of the legislative change giving effect to the Government's intention, this may mean that the coming into effect of Council's decision to establish a Māori constituency from the 2025 would be subject to the outcomes of a referendum at Greater Wellington ratepayers' expense.
19. The government has signalled it will remove co-governance from the delivery of public services. Greater Wellington has no existing arrangements that could be technically defined as co-governance. Although the Te Upoko Taiao – Natural Resources Plan Committee has equal mana whenua partner and Councillor members, this committee has no decision-making power. The proposed policy change does not directly impact on the use of important partnership practices through policy including hearings processes and catchment focused co-management co-design; co-delivery and co-review systems and processes.
20. The government has confirmed it will amend section 58 of the Marine and Coastal Area Act to make clear Parliament's original intent, in light of the judgment of the Court of Appeal in the Whakatōhea Kotahitanga Waka Edwards case. In summary, this case involved a contest between groups who broadly make up Te Whakatōhea iwi on who should hold Customary Marine Title (CMT) over a specified area.

21. In the Wellington region, there are significant overlaps for applicants seeking recognition of their CMT and/or their Protected Customary Rights (PCRs). In recent weeks, mana whenua partners have been actively involved in hearings on their applications for recognition of their MACA rights. The findings have not been released. The Whakatohea case provides guidance to the Courts on making s58 rulings on overlapping interests in the Wellington region.
22. The government is to amend the Waitangi Tribunal legislation (presumably the Treaty of Waitangi Act 1975) to refocus the scope, purpose, and nature of its inquiries back to the original intent of that legislation. One of the two remaining mana whenua partners still involved in Treaty of Waitangi historical claims processes, has yet to receive their Waitangi Tribunal Report. We will monitor and contribute to the review process.
23. The Coalition Government does not recognise the United Nations Declaration On The Rights Of Indigenous Peoples as having any binding legal effect on New Zealand and all work on He Puapua will be stopped. We will monitor and contribute to the review process.

#### **Implications of the Government's policy direction for climate change**

24. The new government has indicated that it intends to honour international climate change commitments. However, there are several policy shifts that will affect specific policy programmes, including funding and incentives (such as removal of the Clean Car Discount).
25. The National Party has retained its election pledge to double renewable electricity. The coalition agreements have cancelled the Lake Onslow pumped energy storage project but include provisions that support increasing electrical infrastructure which would in turn support greater use of renewable electricity.
26. The review of the ETS that sought to address heavy reliance on exotic afforestation and put a greater focus on gross emissions reduction has been cancelled. Also, the government has agreed to review the biogenic methane reduction targets in the CCRA in 2024 to ensure that they are aligned with causing 'no additional warming' rather than reducing the amount of warming they presently cause.
27. The government is planning to replace fuel excise taxes with an electronic road use pricing system, starting with electric vehicles (EVs), which presently are exempt from road user charges.
28. A number of policy measures will impact on the ability of the region to reduce carbon emissions. This includes making Medium Density Residential Standards optional for councils, the repeal of the Spatial Planning Act 2023, reducing funding for building cycleways, cancellation of Let's Get Wellington Moving and increased priority for new Roads of National Significance.
29. The coalition agreements make no specific mention of climate change adaptation or related matters, except that the agreement with NZ First states that foresters will be made legally responsible for their slash debris via the NES on Plantation Forestry. The regional infrastructure fund could also be applicable to resilience projects (such as flood protection).

### Implications for other connected work

30. Work will need to be done to consider what the stop work on the Let's Get Wellington Moving (LGWM) programme means for the proposed Future Development Strategy, which has just closed for consultation. Both were assumptions underpinning this work.
31. The distribution of growth over the next 30 years were predicated on high urban uplift in the LGWM corridor, based in turn on the implementation of mass rapid transit (either light rail or bus rapid transit). With this no longer going ahead, at least in the foreseeable future, this is likely to have implications for the predicted distribution of growth in the region (between centralised compact, medium density and dispersed/greenfield).
32. The stance the FDS takes is that it is a regional 30-year strategy - many things will influence the distribution of growth over that 30-year period. At present, the LGWM corridor is still the key growth corridor for WCC - the FDS provides for 19,000 new homes in that corridor. We would expect that the next iteration of the FDS (reviewed in 3 years' time) will have to take any changes like this into account. It is too soon for this version (i.e. we don't have enough data/analysis at this point) to redistribute this growth in any meaningful way

### Te whakatūtakitaki Engagement

33. No specific engagement required for this paper. Greater Wellington will also be producing a series of Briefings for Incoming Ministers to highlight opportunities to work together and these when will be distributed to councillors when finalised.

### Ngā tūāoma e whai ake nei Next steps

34. Further advice will be provided to Council as the specific details emerge for both the detailed policy and the process around engagement.

### Ngā āpitihanga Attachments

Number	Title
1	Table of government policy direction of relevance to Greater Wellington
2	Te Uru Kahika Coalition Agreements Summary document

### Ngā kaiwaitohu Signatory/Signatories

Writers	<p>Matt Hickman – Principal Advisor, Strategy, Policy &amp; Regulation</p> <p>Emmet McElhatton – Manager, Policy Metlink</p> <p>Pauline Hill – Principal Advisor, Māori</p> <p>Francis Ryan - Head of Governance and Democracy</p>
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	Jake Roos – Manager, Climate Change Grant Fletcher – Head of Regional Transport Catherine Knight – Principal Strategic Advisor, Urban Development Natasha Hayes – Senior Strategic Advisor, Regional Transport
Approvers	Fathima Iftikar – Director – Strategy, Policy and Regulation, Environment Group Luke Troy - Group Manager Strategy   Kaiwhakahaere Matua Rautaki

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council's roles or with Committee's terms of reference</i></b> A shift in central government policy direction impacts directly on Council's roles, responsibilities and work programmes.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> Changing priorities and funding arrangements for central government will impact on Council's Long Term Plan and other key planning documents.
<b><i>Internal consultation</i></b> This paper has been prepared by a number of teams across Council including Strategy, Policy & Regulation, Metlink Policy, Democratic Services, Te Hunga Whiriwhiri, Regional Transport.
<b><i>Risks and impacts - legal / health and safety etc.</i></b> There may be legal risks to Council as policy and legislation changes. Further detail will be provided when known.

**Attachment 1 to Report 23.642: New central government policy direction**

*Note this is not comprehensive list of all policy changes – these are changes of most interest to Greater Wellington*

**Government policy direction and potential impact on Greater Wellington**

Theme	Specific direction <i>(taken from 100-day plan and coalition agreements, with some double-ups to show difference in wording in some cases)</i>	Impact on GW's work programme	Response required from GW	Timeframe
Resilience, response & recovery	Meet with Councils and communities to establish regional requirements for recovery from Cyclone Gabrielle and other recent major flooding events.	Limited impact on Wairarapa area		
	Make any additional Orders in Council needed to remove red tape to speed up cyclone and flood recovery efforts.		Support national recovery agency role to support regional/local roles	
Regulatory reform	New ministerial portfolio for regulation including introduction of proposed Regulatory Standards Act and establishment of new regulations government department.	Cross-cutting impacts to be determined across GW functions	<ul style="list-style-type: none"> <li>Ongoing watching brief</li> <li>Advocate reform of, from a PT perspective, current regulatory measures that may be impeding PT planning and operations</li> <li>Advocate for reform to Regional Land Transport planning processes to speed delivery of programmes of work.</li> </ul>	
Regional transport and public transport	Begin work on a draft new Government Policy Statement on Transport (GPS) reflecting new Roads of National Significance and public transport projects.	<p>New Roads of National Significance (RoNS) in the Wellington region:</p> <ol style="list-style-type: none"> <li>Petone to Grenada Link Road &amp; Cross-Valley Link</li> <li>Second Mt Victoria Tunnel</li> </ol> <p>Development of the Regional Land Transport Plan (RLTP) 2024-27 mid-term review of the programme of activities (coordinated by GW) and funding bids for National Land Transport Fund (NLTF) 2024-27 are underway. Changes in the GPS may affect transport programme submissions around activity class, State Highway Improvement Programme (SHIP) changes, etc. and would trigger updates to the RLTP review programme. On 5 December, the Regional Transport Committee (RTC) considers endorsement of proposed timelines on how officers will feed updates into the RLTP 2024 review programme of activities once the new draft GPS is released.</p>	<p>Consideration of standing up of RoNS consenting team again.</p> <p>GW (and RTC) submit on the new draft GPS GW officers incorporate GPS changes (and subsequent changes to AO transport programmes in the region) into the RLTP 2024-27 mid-term review once these are confirmed and submitted. Direction re LGWM will affect Waka Kotahi SHIP and WCC transport programmes.</p>	100 days

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			The NLTF remains underfunded to maintain the current network. GW with regional and local partners should advocate for the completion of Future of Transport Funding Review.	
	Withdraw central government from Let's Get Wellington Moving programme (LGWM).	<p>Uncertainty on future of component projects of overall LGWM programme</p> <p>Change in GW partnership role, planning input, funding, contribution to projects and activities previously covered by LGWM that are likely to continue</p>	<p>Advocacy for importance of elements of the existing LGWM programme continuing</p> <p>LTP funding discussions re level of contribution to City Streets projects under new WCC led approach</p> <p>Incorporation of any transport programme changes into the RLTP 2024-27 mid-term review</p> <p>Urgently work with LGWM partners to transition programmes of work and agree new funding arrangements.</p>	100 days
	Stop Labour's blanket speed limit reductions and start work on replacing the Land Transport Rule: Setting of Speed Limits 2022.	<p>Implications for Regional Speed Management Plan 2024 development underway (coordinated by GW officers on behalf of the RTC) if the Rule is replaced / Speed Management Plan (SMP) process changes. Some Road Controlling Authorities (RCA)s have already submitted their SMPs to the Director of Land Transport for certification – reversing the speed management direction and programmes could result in significant wasted resource and time by councils and local communities</p>	<p>Continue working closely with RCAs and Waka Kotahi in the region to understand impacts on existing Regional Speed Management Plan process and opportunities to engage</p> <p>Work with government for an improved speed management regime to achieve objective of reducing harm in higher risk areas.</p>	100 days
	Reverse speed limit reductions where it is safe to do so. (National-ACT agreement)			
	Upgrade the Super Gold Card and Veterans Card to maximise its potential benefit for all holders.	<p>Potential impact on Metlink Super Gold concession use policy and practice with potential related finance/funding impacts.</p> <p>Resourcing (project) impacts from any new fares policy arising.</p>	Ongoing watching brief to ensure any changes to Super Gold use policy, and implementation costs, are wholly central government funded.	
	Reduce expenditure on cycleways.	'Walking and cycling' is an activity class in the draft GPS 2024 under which Authorised Organisations (those able to access funds from the NLTF) have submitted activities in their transport programmes for the NLTF 2024-27 funding bid. The forthcoming draft GPS may reflect funding implications on allocation for walking and cycling	GW (and RTC) submit on the new draft GPS	

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	Replace fuel excise taxes with electronic RUC for all vehicles, starting with electric vehicles	Financial impacts for PT on how fuel is paid (and how much) under current contracts	Review impacts under current public transport operator contracts work stream.  Support introduction of RUC for all users as a way to better capture true cost of usage, charge appropriately and use the most economically efficient means of transport. Contains possibility of reducing overall vehicle use.	
	Work with Auckland to implement time of use road charging	Potential extension over the triennium to Wellington.  The RTC and GW has previously submitted in support of introducing legislation to enable road pricing or congestion charging in Wellington region as a potential tool to support mode shift and emission reduction goals.  The draft Wellington Transport Emissions Reduction Pathway highlights the important role that road pricing mechanisms play in reducing transport-generated emissions.	Review impacts under current public transport operator contracts work stream.  Continue to advocate for enabling legislation to support road pricing in Wellington and for hypothecation of revenue raised directly into public transport and active mode improvements.	
	Commitment to supercharge electric vehicle infrastructure with a comprehensive, nationwide network of 10,000 public EV chargers by 2030 will specifically take into account that there must be robust cost benefit analysis to ensure maximum benefit for government investment.	This will assist the electrification of the vehicle fleet in the region and contribute to reducing emissions.	Consideration for RLTP development	
	Cancel Labour's planned "fuel tax hikes" that would add another 12 cents per litre, or and extra \$8 for a full tank.	Places continued downward pressure on funding within the NLTF for maintenance, operations and renewals including funding of PT.	Lobby for completion of future of transport funding study currently underway by the Ministry of Transport.	
	Repeal Clean Car Discount (National-Act agreement)	This will not assist the electrification of the vehicle fleet in the region and therefore reducing emissions.		

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Infrastructure, Energy & Natural Resources	Begin work on establishing a National Infrastructure Agency.	Could provide a vehicle for more effective regional coordination of infrastructure development and funding with positive impacts in areas of Three Waters, Transport and clean energy supply.	Understand the reach and scope of the Agency and lobby for effective regional coordination and planning.	100 days
	Build infrastructure with 13 new Roads of National Significance (RoNS) and four major public transport upgrades.	PT upgrades: Expected to include 'Improvements to increase capacity and reliability on Lower North Island train services for passengers and freight' (as per National Party Policy Programme)  RoNS: Expected to include – Second Mt Vic Tunnel (including Basin Reserve grade-separation), Petone to Grenada and Hutt Valley Cross Valley Link  Future Development Strategy accounts in a general sense for the regional new roads (e.g. identifies the need for an east-west connection). The Future Development Strategy Implementation Plan (draft March 2024 and final June 2024) can include these projects and any associated urban development aspects.	Incorporation of any transport programme changes into the RLTP 2024-27 mid-term review  Consider how to influence the shape of RoNS projects going forward to contribute to GW's strategic objectives, outcomes and targets.  Work with WRLC to consider impacts on FDS once timing of and process for road development is known.	
	Institute long-term city and regional infrastructure deals, allowing PPPs, tolling and value capture rating to fund infrastructure.	Significant opportunity for this region to negotiate a deal to help fund infrastructure necessary to support growth as well as consider regulatory changes, partnership arrangements and devolution of powers on a bespoke basis.  <ul style="list-style-type: none"> <li>• Planning, funding and procurement impacts for Metlink infra including infra for new developments and TOD</li> <li>• Councils and regions are urged to begin identifying priority projects immediately. (from National Party Policy re National, Regional City Deals)</li> <li>• Advocate via the WRLC for a regional approach to a regional deal (as distinct from multiple city deals) focused on the strategic direction in the Future Development Strategy and the Regional Economic Development Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing watching brief and review of policy development and implementation for opportunities to increase funding options and pathways.</li> <li>• Regional and City Deals – consider how best to pivot quickly from the current strategic transport and housing processes to identify and package projects for a regional or city deal - housing/ infrastructure/transport.</li> <li>• WRLC to discuss at a regional level the level of interest in pursuing a regional deal.</li> </ul>	
	Establish a National Infrastructure Agency under the direction of relevant Ministers, to coordinate government funding, connect investors with New Zealand infrastructure, and improve funding, procurement, and delivery.	Planning, funding and procurement impacts for Metlink infrastructure including for new developments and TOD.  Opportunity to secure funding for regionally significant infrastructure projects.	<ul style="list-style-type: none"> <li>• Ongoing watching brief and review of policy development and implementation for opportunities to increase funding options and pathways.</li> </ul>	
	Prioritise strategic infrastructure to improve the resilience of heavy industry in New Zealand.			

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	Establish a Regional Infrastructure Fund with \$1.2 billion in capital funding over the Parliamentary term.	<ul style="list-style-type: none"> <li>Seeking \$47M crown funding for a \$62M capital investment in flood resilience infrastructure over the next 3 years</li> <li>Potential opportunity to explore funding opportunities for some of the Palmerston North LNIRIM components</li> </ul>	Funding (GWRC \$25M Share) allowed for in Draft LTP Potential opportunity to explore funding opportunities for some of the Palmerston North LNIRIM components.	
	Facilitate the development and efficiency of ports and strengthen international supply networks.	Could impact on the role of CentrePort in the national supply chain. Opportunity to position CentrePort as a key element of the national supply chain and grow its role	WRC Holdings preparing an Investment Strategy and working with CentrePort Board to look for partnership opportunities	
	Require the electricity regulator to implement regulations such that there is sufficient electricity infrastructure to ensure security of supply and avoid excessive prices.	<p>Potential impact on Metlink fleet electrification strategy.</p> <p>Opportunity to better plan a carbon neutral future if owners and operators can build for anticipated future demand.</p>	<p>Watching brief.</p> <p>Engage in change process to support moves to build sufficient future capacity to meet increased demand from decarbonised energy future.</p>	
	Plan for transitional low carbon fuels, including the infrastructure needed to increase the use of methanol and hydrogen to achieve sovereign fuel resilience.	Potential impact on Metlink fleet decarbonisation strategy including vehicle standards and procurement.	Watching brief.	
Affordable Water Reform	Repeal Three Waters legislation.	Bulk Water responsibilities remain with GWRC	Status Quo. However GW may wish to pursue transfer of bulk water assets and responsibilities to TAs or any new structures created	
	Stop all work on establishing the agencies	<p>Contractors resourced through DIA need to refocus their efforts to continue being effective for GW until the new government provides a new approach.</p> <p>Watercourses Agreements need to be reviewed</p>	<p>Workstream required.</p> <p>Continued lobbying for the government to contribute to the affordability of the significant investment required for water infrastructure.</p>	
Housing	Begin work on Going for Housing Growth policy, to expand housing supply, build infrastructure and give councils flexibility over MDRS standards.	Likely to impact on the implementation of the Future Development Strategy under the Wellington Regional Leadership Committee.	Consider impacts ahead of agreeing a final Future Development Strategy.	

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	Introduce financial incentives for councils to enable more housing, including considering sharing a portion of GST collected on new residential builds with councils.	Potential positive impact on PT infrastructure funding planning.	<ul style="list-style-type: none"> <li>Advocate, from a PT perspective, that some GST share should go towards PT infrastructure development to enable access to new high-density developments.</li> </ul>	
	Legislate to make the MDRS optional for councils, with the need for councils to ratify any use of MDRS, including existing zones.	The draft RPS urban intensification provisions assume the existence of the MDRS and LGWM rapid transit corridor. Their removal or dilution is likely to reduce the ability to achieve the environmental objectives of the RPS.	<ul style="list-style-type: none"> <li>Work through the Regional Leadership Committee to understand the intent of each TA and lobby for continued intensification along key transport corridors and around centres.</li> </ul>	
Natural resource management	Repeal NBEA and SPA and introduce a fast-track consenting regime.	Ability to fast-track critical transport projects of regional significance.	Feed into design of new fast-track consenting regime (most probably via Te Uru Kahika). Engage at Select Committee via submission process. Support use of process for critical regional infrastructure projects.	100 days
	Repeal the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023 by Christmas.	No impact on plan changes as plan change work programme operating under the old RMA. Significant impact on long-term spatial planning as the draft FDS has been written as a stepping stone towards the effective regional spatial planning contained within the SPA and was the vehicle for more effective infrastructure planning. Need to consider impact on any consents issued under the NBEA framework.	Lobby in replacement legislation for regional spatial planning. Work with existing tools through a Regional Planning Committee (which could be WRLC) to progress a unified regional spatial plan and approach towards infrastructure provision.	100 days
	Amend the Resource Management Act 1991 to: <ul style="list-style-type: none"> <li>Make it easier to consent new infrastructure including renewable energy, allow farmers to farm, get more houses built, and enhance primary sector including fish and aquaculture, forestry, pastoral, horticulture and mining.</li> <li>Streamline the plan preparation process in Schedule 1 of the RMA.</li> <li>Simplify the planning system and related statutes including the Public Works Act and the Reserves Act.</li> <li>The Parties commit to establish a fast-track one-stop-shop consenting and permitting</li> </ul>	No immediate impact on plan change work programme.  Will impact plan change work programme once legislation is enacted.	Feed into drafting of new legislation (most probably via Te Uru Kahika). Engage at Select Committee via submission process.	100 days

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	process for regional and national projects of significance. The process will include a referral by Ministers for suitable projects. A Bill to introduce this process and make other essential statutory amendments will have its first reading as part of the government's 100-day plan.			
	Replace the Resource Management Act 1991 with new resource management laws premised on the enjoyment of property rights as a guiding principle.	No immediate impact on plan change work programme. Will impact plan change work programme once legislation is enacted.	Feed into drafting of new legislation (most probably via Te Uru Kahika). Engage at Select Committee via submission process.	
	Replace the National Policy Statement for Freshwater Management 2020 to allow district councils more flexibility in how they meet environmental limits and seek advice on how to exempt councils from obligations under the National Policy Statement for Freshwater Management 2020 as soon as practicable.	Possible implications for Plan Change 1, depending on when the replacement NPS-FM is gazetted. Implications for work underway to implement the NPS-FM 2020 which may be inconsistent with a new replacement NPS-FM.	Feed into drafting of new NPS-FM. Engage via submission process.	
	Replace the National Policy Statement for Freshwater 2020 to rebalance Te Mana o te Wai to better reflect the interests of all water users.	Possible implications for Plan Change 1, depending on when the replacement NPS-FM is gazetted. Implications for work underway to implement the NPS-FM 2020 which may be inconsistent with a new replacement NPS-FM.	Feed into drafting of new NPS-FM. Engage via submission process.	
	Replace the National Policy Statement for Freshwater Management 2020 and the National Environmental Standards for Freshwater to better reflect the interests of all water users.	Possible implications for Plan Change 1, depending on when the replacement NPS-FM is gazetted. Implications for work underway to implement the NPS-FM 2020 which may be inconsistent with a new replacement NPS-FM.	Feed into drafting of new NPS-FM. Engage via submission process.	
	Commence an urgent review into the implementation of the National Policy Statement on Indigenous Biodiversity before any implementation.		Participate in review if possible; possible implications for RPS Change 1 hearings.	
	Improve Farm Environment Plans so they are more cost-effective and pragmatic for farmers.		Ensure farm planning is designed to be cost-effective and pragmatic.	
	Support Farm Environment Plans administered by regional councils and targeted at a catchment level.			
	Adopt standardised farm level reporting.			
	Cut red tape and regulatory blocks on irrigation, water storage, managed aquifer recharge and flood protection schemes.	Depending on the nature of this work could have implications for work underway to implement the NPS-FM 2020 which may be inconsistent with this direction.		

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	Amend the National Environmental Standards for Plantation Forestry (NES-PF) regulations to place a duty upon harvesters to contain and remove post-harvest slash.	Unclear if this has already been superseded with the new NES for Commercial Forestry.	Review plans NRP to ensure consistent when appropriate.	
	Deliver longer durations for marine farming permits and remove regulations that impede the productivity and enormous potential of the seafood sector.			
	Liberalise genetic engineering laws while ensuring strong protections for human health and the environment.			
Climate change	Deliver Net Zero by 2050 including by doubling New Zealand's renewable electricity and supporting new technology to reduce agricultural emissions.	Opportunity for GW's Energy Transformation Initiative		
	Maintain a split-gas approach to methane and carbon dioxide through to 2050 and review the methane science and targets in 2024 for consistency with no additional warming from agricultural methane emissions.	Likely to reduce the ability to reduce emissions from the agriculture sector		
	Enable farmers and landowners to offset sequestration against their on-farm emissions.	Will have links through to farm planning and rural land use change.		
	Plan for transitional low carbon fuels, including the infrastructure needed to increase the use of methanol and hydrogen to achieve sovereign fuel resilience.	Opportunity for CentrePort heavy freight		
	Ensure that climate change policies are aligned and do not undermine national energy security.			
	Ensure the government's energy settings allow for the exploration of natural geological hydrogen in New Zealand, to maximise future energy resilience.			
	Stop the current review of the ETS system to restore confidence and certainty to the carbon trading market.	Supports upward pressure on emissions unit (NZU) prices in the short and medium term, which increases the value of NZUs held by council and therefore the value of the Low Carbon Acceleration Fund		
	Progress work to recognise other forms of carbon sequestration, including blue carbon.			
	Incentivise the uptake of emissions reduction mitigations, such as low methane genetics, and low methane producing animal feed.			

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Te Tiriti and outcomes for Māori	Honour the undertakings made by the Crown through past Treaty of Waitangi settlements.	Existing settlements not affected; unclear how partners who have not settled yet will be affected.		
	Reverse measures taken in recent years which have eroded the principle of equal citizenship, specifically: <ul style="list-style-type: none"> <li>Remove co-governance from the delivery of public services.</li> <li>Restore the right to local referendum on the establishment or ongoing use of Māori wards, including requiring a referendum on any wards established without referendum at the next Local Body elections.</li> <li>Confirm that the Coalition Government does not recognise the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as having any binding legal effect on New Zealand.</li> </ul>	Will impact recent Council approval for a Māori Ward for next local government elections.	Review direction if legislation is made retrospective.	
	Amend section 58 of the Marine and Coastal Area Act to make clear Parliament's original intent, in light of the judgment of the Court of Appeal in Whakatohea Kotahitanga Waka Edwards) & Ors v Te Kahui and Whakatohea Maori Trust Board & Ors [2023] NZCA 504.	There are significant overlaps shown of the maps of applicants seeking recognition of their Customary Marine Title (CMT) and/or their Protected Customary Rights (PCRs) in the Wellington region.	Feed into review process and drafting of new provisions.	
	Amend the Waitangi Tribunal legislation to refocus the scope, purpose, and nature of its inquiries back to the original intent of that legislation.	Five of six of GW's mana whenua partners have completed the Waitangi Tribunal aspects of their settlement processes.	Feed into review process and drafting of new provisions.	
	Conduct a comprehensive review of all legislation (except when it is related to, or substantive to, existing full and final Treaty settlements) that includes "The Principles of the Treaty of Waitangi" and replace all such references with specific words relating to the relevance and application of the Treaty, or repeal the references	May have a knock-on effect on documents that flow from legislation (e.g. RLTP, RPMP, RPS, NRP, etc.).		
	Remove co-governance from the delivery of public services.			
Employment and Immigration	Improve the Accredited Employer Work Visa to focus the immigration system on attracting the workers and skills NZ needs	May impact on off-shore recruitment for bus drivers.	Advocate to keep PT workforce needs high on INZ skills shortage register.	
	Investigate the establishment of an "Essential Worker" workforce planning mechanism to better plan for skill or labour shortages in the long term.	May impact on off-shore recruitment for bus drivers.	Advocate to keep PT workforce needs high on INZ skills shortage register.	

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			Determine, and advocate for, other crucial skills shortages across transport (e.g. specialist engineers) to be included in EW mechanism.	
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## Incoming Government Coalition Agreements

### Regional Government Relevant Summary

#### PURPOSE AND BACKGROUND

The following document provides a summary of the incoming Government's priorities, as expressed in the Coalition Agreements, signed on 24 November 2023.

The purpose of this summary is to provide regional government leadership with a snapshot of key points, organised into areas within the direct interests and responsibilities of our Sector.

Wording as expressed in the agreements has been retained, with extra emphasis (**bolding**) added to highlight key aspects relevant to regional government.

The points below have also been checked against National's 100-day action plan.

Note that several specific points relating to energy and ports, within the National – New Zealand First agreement (a number Northland specific), haven't been added.

#### Te Tiriti

- Introduce a **Treaty Principles Bill** based on existing Act policy and support it to a Select Committee as soon as practicable.
- **Amend the Waitangi Tribunal legislation** to refocus the scope, purpose, and nature of its inquiries back to the original intent of that legislation.
- **Conduct a comprehensive review of all legislation** (except when it is related to, or substantive to, existing full and final Treaty settlements) **that includes "The Principles of the Treaty of Waitangi"** and replace all such references with specific words relating to the relevance and application of the Treaty or repeal the references.
- **Restore right to referendum** (use of Māori wards), **removal of co-governance** from delivery of public services, repeal 'race-based' laws.
- **Repeal the Canterbury Regional Council (Ngāi Tahu Representation) Act 2022.**
- **Amend section 58 of the Marine and Coastal Area Act** to make clear Parliament's original intent.

#### Regulation

- **Legislate to improve the quality of regulation**, by passing the Regulatory Standards Act as soon as practicable.



- In consultation with the relevant Minister, **carry out regulation sector reviews.**
- Commitment to **reduce farming regulation and undertake comprehensive regulatory review across government.**
- Cut red tape and regulatory blocks on **irrigation, water storage, managed aquifer recharge and flood protection schemes.**

## RM Reform

- **Repeal the Natural and Built Environment Act 2023 and the Spatial Planning Act 2023** by Christmas.
- Replace the Resource Management Act 1991 with **new resource management laws premised on the enjoyment of property rights** as a guiding principle.
- **Amend the Resource Management Act 1991 to make it easier to** consent new infrastructure including renewable energy, allow farmers to farm, get more houses built, and enable mining, aquaculture and other primary industries.
- Establish a **fast-track one-stop-shop consenting and permitting process for regional and national projects of significance** (A Bill to introduce this process and make other essential statutory amendments will have its first reading as part of the Government's 100-day plan).
- Institute long-term city and regional infrastructure deals, **allowing PPPs, tolling and value capture rating** to fund infrastructure.
- **Streamline the plan preparation process** in Schedule 1 of the RMA.
- Introduce **financial incentives for councils to enable more housing**, including considering sharing a portion of GST collected on new residential builds with councils.
- Legislate to **make the Medium Density Residential Standards optional for councils**, with the **need for councils to ratify any use of MDRS**, including existing zones.
- **Cease implementation of new Significant Natural Areas and seek advice** on the operation of existing Significant Natural Areas as part of the Government's programme to reform the Resource Management Act.
- **Simplify the planning system and related statutes** including the Public Works Act and the Reserves Act.

## Farm Environment Plans

- **Support for farm environment plans** administered by regional councils and targeted at a catchment level, adopt standardised farm level reporting.
- Improve Farm Environment Plans **so they are more cost-effective and pragmatic for farmers.**

## Three Waters

- **Immediate stop-work notice** placed on Three Waters - with assets returned to Council ownership.

## Climate Mitigation

- **Deliver Net Zero by 2050** including by **doubling New Zealand's renewable electricity** production and supporting new technology to reduce agricultural emissions.
- **Maintain a split-gas approach to methane and carbon dioxide** through to 2050 and review the methane science and targets in 2024.
- **Enable farmers and landowners to offset sequestration** against their on-farm emissions.

- **Incentivise the uptake of emissions reduction mitigations**, such as low methane genetics, and low methane producing animal feed.
- Progress work to **recognise other forms of carbon sequestration**, including blue carbon.
- **Stop the current review of the ETS system** to restore confidence and certainty to the carbon trading market.
- Ensure that climate change policies are aligned and **do not undermine national energy security**.

## National Standards and Policy Statements

- Commence an **urgent review into the implementation** of the National Policy Statement on Indigenous Biodiversity before any implementation, including **implementation of Significant Natural Areas** and review current ones.
- **Replace the National Policy Statement for Freshwater Management 2020 and the National Environmental Standards** for Freshwater to better reflect the interests of all water users, including:
  - **Rebalance Te Mana o te Wai** to better reflect the interests of all water users.
  - **Allow district councils more flexibility** in how they meet environmental limits and seek advice on how to exempt councils from obligations as soon as practicable.
- **Amend the National Environmental Standards for Plantation Forestry** regulations to place a duty upon harvesters to contain and remove post-harvest slash.
- Introduce a NPS for Renewable Electricity Generation.

## Infrastructure and Regional Development

- Establish **Regional Infrastructure Fund with \$1.2 billion** in capital funding.
- Build infrastructure with **13 new Roads of National Significance** and four major public transport upgrades.
- Commit to building a **four-lane highway alternative for the Brynderwyns** and investigate the use of private finance to accelerate construction.

## Public Transport

- **Immediate stop-work notices** on Auckland Light Rail and Let's Get Wellington Moving.
- **Reduce expenditure on cycleways**.

## Agencies and People

- **Establish Regulation portfolio with its associated agency**, scrapping the productivity commission to pay for it.
- **Establish a National Infrastructure Agency**, with delivery to prioritise regional and national projects of significance.
- **Deliver savings by reducing "non-essential bureaucracy and headcounts"** in government departments.

## KEY PORTFOLIOS INSIDE CABINET (and Associate Ministers and Under-Secretaries)

- **Local Government:** Simeon Brown-N
- **Treaty of Waitangi Negotiations:** Paul Goldsmith-N
- **RM Reform:** Chris Bishop-N (Simon Court-A)
- **Infrastructure:** Chris Bishop-N (Simon Court-A)
- **Regulation:** David Seymor-A
- **Conservation:** Tama Potaka-N
- **Agriculture:** Todd McLay-N (Andrew Hoggard-A / Nicola Grigg-N - both outside cabinet)
- **Forestry:** Todd McLay-N
- **Transport:** Simeon Brown-N (Matt Doocey-N)
- **Regional Development:** Shane Jones-NZF
- **Māori Development / Māori Crown Relations:** Tama Potaka-N
- **Emergency Management and Recovery:** Mark Mitchell-N
- **Resources:** Shane Jones-NZF
- **Energy:** Simeon Brown-N (Shane Jones-NZF)

## KEY PORTFOLIOS OUTSIDE CABINET

- **Environment:** Penny Simmonds-N (Andrew Hoggard-ACT)
- **Climate:** Simon Watts-N (Nicola Willis-N - inside cabinet)
- **Biosecurity:** Andrew Hoggard-A
- **Rural Communities:** Mark Patterson-NZF

### Document compiled by:

Al Cross  
Director Resource Management Reform, Te Uru Kahika



**Council**  
**7 December 2023**  
**Report 23.639**



**For Decision**

## **STATEMENTS OF EXPECTATIONS FOR COUNCIL ORGANISATIONS 2024/2025**

### **Te take mō te pūrongo**

#### **Purpose**

1. To advise Council of the key themes in the Statements of Expectations for various Council Organisations for the 2024/2025 financial year.

### **He tūtohu**

#### **Recommendations**

That Council

1. **Approves** the key themes for the Statements of Expectations (Attachment 1), for the following Council Organisations:
  - a. WRC Holdings Limited
  - b. Wellington Regional Stadium Trust
  - c. Wellington Regional Economic Development Agency (WellingtonNZ)
2. **Delegates** to the Council Chair authority to sign off the final Statements of Expectation for delivery to each Council Organisation.

### **Te tāhū kōrero**

#### **Background**

2. Council has a number of Council Organisations<sup>1</sup> (COs) which operate under a variety of statutory and legal frameworks. Council has less input or influence over some of these COs. The COs<sup>2</sup> covered are:
  - a. WRC Holdings Limited (Group includes Greater Wellington Rail Limited and CentrePort Limited)
  - b. Wellington Regional Economic Development Agency (WellingtonNZ)
  - c. Wellington Regional Stadium Trust<sup>3</sup>

<sup>1</sup> Council Organisations is used as an umbrella term for the purpose of this report to include Council Controlled Organisations, Council Controlled Trading Organisations and other Council Organisations.

<sup>2</sup> An outline of what each of the COs do and their ownership is found here: [Greater Wellington Regional Council — Council-Controlled Organisations \(gw.govt.nz\)](https://www.gw.govt.nz/council-controlled-organisations/)

<sup>3</sup> The Wellington Regional Stadium Trust was established under the the Wellington Regional Council (Stadium Empowering) Act 1996. It is a self-contained statutory body. While it is not a CO it is treated consistently with organisations that are COs.

*Statements of Expectations*

3. For COs covered by the Local Government Act (WRC Holdings and WellingtonNZ), the shareholders are able to issue a Statement of Expectations (SOE) under section 64B of the Local Government Act 2002 (LGA).
4. While the SOE may cover relationship and reporting matters, it can also provide an opportunity for shareholders to outline other expectations about the CO services and its impact on the community. Any SOE must be published on the shareholders’ website (section 64B(3)).

*Statements of Intent*

5. The SOE allows the shareholder to provide clarity and guidance as the CO prepares its Statement of Intent (SOI). The LGA (section 64) requires every CO to prepare and adopt a SOI. The SOI (section 64(2)) provides an opportunity to:
  - a state publicly the activities and intentions of the council-controlled organisation for the year and the objectives to which those activities will contribute;
  - b provide an opportunity for shareholders to influence the direction of the organisation; and
  - c provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.
6. To allow Shareholder input, Schedule 8, Part 1 of the LGA requires each CO to produce a draft SOI by 1 March of the year preceding the start of the financial year to which the SOI relates. Shareholders can then provide comment before 1 May to the CO before the final SOI is presented back to the shareholders prior to the commencement of the relevant financial year. This process is outlined in simple terms in the diagram below:



7. The Wellington Regional Stadium Trust (WRST) is not covered by the LGA provisions. The establishment Funding Deed (January 1998) requires the WRST to provide a draft Statement of Trustee Intent by 1 April each year, to be finalised by 30 June (Section 10). The deed also allows for the settlor Councils (Greater Wellington Regional Council and Wellington City Council) to provide advice on governance issues they wish the Statement of Trustees Intent to address. For ease, the settlor councils have mirrored the LGA timeframes in addressing this process.

*Enduring expectations in SOEs*

8. This report seeks approval for the key themes to be submitted as part of the SOE process. There are some overarching principles that apply across all of the COs. Enduring expectations for COs include:

- a meeting best practice governance standards, with board performance reviews and a review of the Board skills matrix both being undertaken on an annual basis
- b an ongoing focus on health and safety
- c following robust processes at a governance level to identify and manage risks
- d ensuring legislative compliance
- e strategic alignment to the four focus areas in Council’s emerging Long Term Plan (LTP) 2024-34 strategic framework:
  - Active partnerships with mana whenua and improved outcomes for Māori
  - Leading action for climate resilience and emissions reduction
  - Holistic approaches to deliver improved outcomes for te taiao
  - Improved access to services and equitable outcomes for communities.
- f reflecting the overarching principles of Te Whāriki (Greater Wellington’s Māori Outcomes Framework) by proactively engaging mana whenua in decision making and incorporating te ao Māori and mātauranga Māori perspectives, so we can achieve the best outcomes for Māori across all aspects of our region
- g reflecting Council’s expectations that COs pay the Living Wage and mitigate the risk of modern slavery in their commercial activities
- h that COs will operate under a “no surprises” basis, with their Boards aware of the implications of their decisions across other areas of Council activity and engaging with the shareholder at an early stage on any strategic initiatives.

*Specific expectations for the 2024/25 year*

- 9. The key themes for each CO listed below are the specific themes identified for the 2024/25 year. A summary of the key themes is included as [Attachment 1](#).
- 10. The report also seeks to delegate to the Council Chair final sign off and communication of these themes to the relevant CO before the end of December 2023.

**Te tātaritanga  
Analysis**

*Key themes - WRC Holdings Limited (WRCHL)*

- 11. Greater Wellington Regional Council is the sole shareholder (i.e. owns 100%) of WRCHL, which in turn owns 100 per cent of Greater Wellington Rail Limited (GWRL) and 76.92% of CentrePort Limited<sup>4</sup>.
- 12. Council would like to see WRCHL develop a new Investment Strategy during 2024 to maximise returns to Council and to ensure that potential opportunities are maximised for the benefit of the Wellington Region, and report back to Council in 2024.

<sup>4</sup> The SOE issued by Council to WRCHL covers both WRCHL and Greater Wellington Rail Limited. WRCHL then issues a separate SOE directly to CentrePort Limited.

13. Council has budgeted for a continued revenue stream from dividend payments and these need to continue to be factored into the SOI. WRCHL should work with its subsidiaries to see how it can increase its level of profitability and dividend stream.
14. WRCHL should continue to review and look to strengthen performance measures set out in its Statement of Intent.
15. Council expects that GWRL will maintain oversight and awareness of the risks associated with the rail network assets, as well as maintain awareness of the potentially expanding asset portfolio, with regard to the procurement of rail rolling stock (Lower North Island Rail Integrated Mobility) and Council's draft Asset Control Strategy.
16. Council also expects that WRCHL's oversight of its critical risks relating to health and safety across both GWRL and CentrePort remains a priority of the work programme, and that WRCHL seeks assurance that key critical risks are appropriately managed and that any assurance needed from other parties is satisfactory.

*Key themes - WellingtonNZ*

17. WellingtonNZ is jointly owned by Wellington City Council (80% shareholding) and Greater Wellington Regional Council (20% shareholding). Council has significant interest in the governance of WellingtonNZ and ensuring it meets both its regional and local commitments.
18. Council has put in place a three-year funding agreement to support the implementation of the Regional Economic Development Plan (REDP). WellingtonNZ is expected to continue to lead the implementation of the initiatives in the REDP, to ensure integration and coordination across multiple delivery agencies, and to provide regular updates to Council on progress.
19. A key component of the REDP is the commitment to a just transition from a climate and carbon perspective. Council expects the region's economy to be supported with not only managing the transition but also continuing to explore and support opportunities. This includes a continued focus on the need to ensure that future business is sustainable and that business growth is managed in a way which supports our zero carbon goals, as well as active promotion of public transport use wherever possible within WellingtonNZ's visitor economy advertising.
20. Council is committed to the delivery of Te Matarau a Māui as the region's strategy for Māori economic development. The SOE will reflect this commitment and require WellingtonNZ will continue to support the implementation of Te Upoko o Te Ika a Māui Commitment as a procurement tool for building social and economic prosperity across the region.
21. WellingtonNZ is expected to take account of the current economic situation (with the cost of living crisis and retail/hospitality businesses under pressure) and be proactive about identifying opportunities to strengthen and lift regional performance. This includes working closely with the Wellington Regional Leadership Committee on identifying opportunities for regional investment (for example, a Regional Deal).
22. The SOE for WellingtonNZ will be sent jointly combining the issues highlighted from both Council shareholders to provide cohesive communication to WellingtonNZ.

*Key themes - Wellington Regional Stadium Trust (WRST)*

23. WRST is a charitable trust jointly settled by Greater Wellington Regional Council (Council) and Wellington City Council. Council expects that WRST's Statement of Trustees Intent 2024/25 should reflect a commitment to work with both settlor councils on its asset management plan and commercial strategy, including how to best sequence and fund the necessary asset renewal and seismic strengthening works through the 2024-34 LTP
24. Council is looking to WRST to lead the work on the medium to longer-term future for the stadium, in terms of asset management, future planning and investments, a more sustainable funding model, and potential longer term stadium options. Council would like WRST to consult with settlors on the outcome of this work well in advance of the 2027-37 LTP.
25. It is also expected that WRST will continue to:
  - contribute to the region meeting its carbon neutrality goals
  - work with Council on opportunities to improve connectivity with the public transport network, as well as Council's efforts to strengthen the public transport network for events at the Stadium
  - deliver a strong programme of major events that return economic benefit to the city and region.
26. The SOE for WRST will be sent jointly from Wellington City Council and Greater Wellington Regional Council, combining the issues highlighted from both Councils to provide cohesive communication to WRST.

**Ngā hua ahumoni**

**Financial implications**

27. There are no financial implications to this report.

**Ngā Take e hāngai ana te iwi Māori**

**Implications for Māori**

28. It is an enduring expectation that COs will work to give effect to Te Whāriki, the Māori Outcomes Framework.
29. There is also an enduring expectation that each CO will undertake Board performance reviews on an annual basis, with the reviews including how te ao Māori is considered in Board decision-making. A review of the board skills matrix, with te ao Māori included on the skills matrix, is also requested annually.

**Ngā tikanga whakatau**

**Decision-making process**

30. The matter requiring decision in this report was considered by officers against the decision-making requirements of Part 6 of the Local Government Act 2002.

**Te hiranga  
Significance**

31. Officers considered the significance of the matter, taking into account Council's Significance and Engagement Policy and Greater Wellington's Decision-making guidelines. Officers recommend that the matter is of low significance due to its administrative nature.

**Te whakatūtakitaki  
Engagement**

32. Given the low significance of this matter, no engagement was undertaken.

**Ngā tūāoma e whai ake nei  
Next steps**

33. The key themes will be communicated in letters outlining the Statement of Expectations to each CO.
34. The letters will be drafted for the Chair to send before 16 December 2023.

**Ngā āpitihanga  
Attachment**

Number	Title
1	Statements of Expectations – key themes

**Ngā kaiwaitohu  
Signatories**

Writer	Sarah Allen - Kaitohutohu Mātāmua   Principal Advisor, Company Portfolio and Economic Development
Approver	Luke Troy – Kaiwhakahaere Matua, Rautaki   Group Manager, Strategy

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council's roles or with Committee's terms of reference</i></b> Council as shareholder is responsible for identifying content for the Statements of Expectations.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> COs can contribute to delivery of the Council's strategic objectives.
<b><i>Internal consultation</i></b> Input and feedback has been sought from across the organisation.
<b><i>Risks and impacts - legal / health and safety etc.</i></b> No risks have been identified.

Statements of Expectations – key themes

Council Organisation	Enduring expectations	Governance	Financial performance	Alignment with LTP 2024-2034			
				Climate change	Mana whenua and Māori	Te taiao	Access and equity
<b>WRC Holdings Group</b>	<ul style="list-style-type: none"> <li>• Best practice governance standards</li> <li>• Board performance reviews undertaken on an annual basis and provided to shareholder</li> <li>• Strategic alignment with shareholder</li> <li>• Boards will work to give effect to Te Whāriki (the Māori Outcomes Framework)</li> </ul>	<ul style="list-style-type: none"> <li>• Board continues proactive Health &amp; Safety approach for both Rail and the Port and understanding/ managing of critical risks</li> <li>• Review performance measures ahead of its 2024/25 Statement of Intent</li> <li>• Maintain awareness of the potentially expanding asset portfolio</li> <li>• Maintain oversight and awareness of the risks associated with the rail network assets</li> </ul>	<ul style="list-style-type: none"> <li>• Level of dividend payments are increased</li> <li>• Development of a new Investment Strategy to maximise returns to Council and to ensure that potential opportunities are maximised for the benefit of the Wellington region</li> </ul>	<ul style="list-style-type: none"> <li>• Board continues to emphasise the importance of carbon reduction planning to its subsidiaries</li> <li>• Continued alignment with National Freight and Supply Chain Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Board performance reviews to include how te ao Māori considered in Board decision-making</li> <li>• Board skills matrix includes te ao Māori</li> </ul>	<ul style="list-style-type: none"> <li>• Overall alignment with Council's emerging LTP 2024-34 strategic framework</li> </ul>	<ul style="list-style-type: none"> <li>• Overall alignment with Council's emerging LTP 2024-34 strategic framework</li> </ul>
<b>WellingtonNZ</b>	<ul style="list-style-type: none"> <li>• Maintain its commitment to paying the Living Wage and mitigate the risk of modern slavery in commercial activities</li> <li>• Financial performance</li> <li>• No Surprises and regular reporting on performance</li> </ul>	<ul style="list-style-type: none"> <li>• Lead on the implementation of the Regional Economic Development Plan, ensuring integration and coordination across multiple delivery agencies</li> <li>• Be proactive about identifying opportunities to strengthen and lift regional performance. This includes working closely with the Wellington Regional Leadership Committee on identifying opportunities for regional investment</li> </ul>	<ul style="list-style-type: none"> <li>• Three year funding agreement in place for regional rate with cost effective deliverables</li> </ul>	<ul style="list-style-type: none"> <li>• Work alongside the region to prepare the region's economy for the impact and opportunities from climate change, and support a transition to a low carbon economy</li> <li>• Continue to focus on the need to ensure that future business is sustainable and that business growth is managed in a way which supports our zero carbon goals</li> <li>• Actively promote the use of public transport wherever possible within WellingtonNZ destination advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to support Te Matarau a Māui as the region's Māori economic development strategy and delivery of initiatives contained in the strategy</li> <li>• Continue to support the implementation of Te Upoko o Te Ika a Māui Commitment as a procurement tool for building social and economic prosperity across the region</li> <li>• Board performance reviews to include how te ao Māori considered in Board decision-making</li> <li>• Board skills matrix includes te ao Māori</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to take account of environmental and sustainability objectives as the Regional Economic Development Plan is refined over time</li> </ul>	<ul style="list-style-type: none"> <li>• Overall alignment with Council's emerging LTP 2024-34 strategic framework</li> </ul>

Attachment 1 to Report 23.639

Council Organisation	Enduring expectations	Governance	Financial performance	Alignment with LTP 2024-2034			
				Climate change	Mana whenua and Māori	Te taiao	Access and equity
	and future issues to Council/s	(for example, a Regional Deal).					
<b>Wellington Regional Stadium Trust (WRST)</b>	<ul style="list-style-type: none"> <li>Boards remain aware of, and compliant, with all key legislation, including Health &amp; Safety obligations</li> <li>Risk management is reported to the shareholder on a regular basis</li> </ul>	<ul style="list-style-type: none"> <li>WRST to lead the conversation with its settlor councils on the medium to longer-term future for WRST regarding:                             <ul style="list-style-type: none"> <li>asset management</li> <li>future planning and investments</li> <li>a more sustainable funding model</li> <li>potential longer-term stadium options.</li> </ul> </li> <li>WRST will consult with settlers on the outcome of the work above well in advance of the 2027-2037 LTP.</li> </ul>	<ul style="list-style-type: none"> <li>Particular focus on commercial strategy and asset management</li> </ul>	<ul style="list-style-type: none"> <li>Continue working with Council on meetings its carbon neutrality plans</li> <li>Continue to work with Council over opportunities to improve connectivity with the public transport network, as well as Council's efforts to strengthen the public transport network for events at the Stadium.</li> </ul>	<ul style="list-style-type: none"> <li>Board performance reviews to include how te ao Māori considered in Board decision-making</li> <li>Board skills matrix includes te ao Māori</li> </ul>	<ul style="list-style-type: none"> <li>Overall alignment with Council's emerging LTP 2024-34 strategic framework</li> </ul>	<ul style="list-style-type: none"> <li>Overall alignment with Council's emerging LTP 2024-34 strategic framework</li> </ul>

Council  
7 December 2023  
Report 23.605



For Decision

## POWER OF ATTORNEY TO SIGN DEEDS

### Te take mō te pūrongo

#### Purpose

1. To advise Council on proposed changes to the delegated authority of officers to exercise a power of attorney to sign deeds on behalf of the Council.

### He tūtohu

#### Recommendations

That Council:

1. **Revokes**, effective 11 December 2023, the Power of Attorney to sign deeds on behalf of Council, granted to Sue McLean, Group Manager.
2. **Grants**, effective 11 December 2023, a Power of Attorney to Julie Knauf, Group Manager, to sign deeds on behalf of the Council.
3. **Confirms** the Power of Attorney granted to Samantha Gain, Group Manager.
4. **Confirms** the Power of Attorney granted to Nigel Corry, Chief Executive.
5. **Authorises** two Councillors to sign the Power of Attorney document for Julie Knauf, Group Manager (Attachment 1) as a deed.

### Te horopaki

#### Context

2. Legal requirements for executing deeds are set out in the Property Law Act 2007 (the Act). Section 6 of the Act states that anything that must or may be done by a person under the Act may be done by that person's attorney as long as the attorney has been given authority. For an attorney to execute deeds on its behalf, the Council must appoint the attorney by deed.
3. The Council decided in February 2009 that at least two officers should be granted a Power of Attorney to sign deeds on behalf of the Council.

4. The following officers have been granted a Power of Attorney to sign deeds on behalf of the Council:
  - a Sue McLean, Group Manager (effective 22 May 2023)
  - b Samantha Gain, Group Manager (effective 21 June 2019)
  - c Nigel Corry, Chief Executive (on 28 September 2021).

**Te tātaritanga  
Analysis**

5. From 11 December 2023, Sue McLean ceases her acting role as Group Manager Corporate Services. Julie Knauf is the permanent position holder.
6. Effective 11 December 2023, officers propose that the Council revokes Sue McLean's Gain's Power of Attorney and grants Power of Attorney to Julie Knauf, Group Manager Corporate Services. The Power of Attorney document for Julie Knauf is attached as [Attachment 1](#).
7. In addition, we propose that the Council confirms the current Power of Attorney for each of Samantha Gain, Group Manager and Nigel Corry, Chief Executive.
8. The above approach aligns with previous Council practice and the direction that there should be at all times at least two officers with this delegated authority.

**Ngā hua ahumoni  
Financial implications**

9. There are no financial implications arising from the decisions in this report.

**Ngā Take e hāngai ana te iwi Māori  
Implications for Māori**

10. There are no implications for Māori arising from this report.

**Ngā tikanga whakatau  
Decision-making process**

11. The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

**Te hiranga  
Significance**

12. Officers considered the significance of the matters, taking into account Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*. Officers recommend that these matters are of low significance, due to their administrative nature.

**Te whakatūtakitaki  
Engagement**

13. Engagement was not considered necessary.

**Ngā tūāoma e whai ake nei  
Next steps**

14. Officers will advise Julie Knauf of the Power of Attorney granted to her, and Sue McLean of the revocation of her Power of Attorney.

**Ngā āpitihanga  
Attachment**

Number	Title
1	Power of Attorney to Sign Deeds on behalf of the Council

**Ngā kaiwaitohu  
Signatories**

Writer	Will Ogier - Kaitohutohu Matua   Principal Advisor Democratic Services
Approvers	Francis Ryan – Kaiwhakahaere Matua   Head of Governance and Democracy Luke Troy – Kaiwhakahaere Matua Rautaki   General Manager Strategy

<p style="text-align: center;"><b>He whakarāpopoto i ngā huritaonga</b> <b>Summary of considerations</b></p>
<p><b><i>Fit with Council's roles or with Committee's terms of reference</i></b> The Council is responsible for granting Powers of Attorney to officers.</p>
<p><b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> There are no contributions to Council's key strategies and policies.</p>
<p><b><i>Internal consultation</i></b> There was no internal consultation.</p>
<p><b><i>Risks and impacts - legal / health and safety etc.</i></b> There are no risks associated with the decisions proposed in this report.</p>

**Attachment 1 to Report 23.605**

**Power of Attorney to sign Deeds on behalf of the Council**

**Power of Attorney to sign Deeds on behalf of the Council**

**This is a Power of Attorney** by way of a Deed signed by two elected Councillors of the Wellington Regional Council, a council under the Local Government Act 2002, on the seventh day of December 2023.

**Background**

- A The Wellington Regional Council (the Council) is a council under the Local Government Act 2002 and is authorised to enter into deeds.
- B The Council wishes to grant to Julie Rebecca Knauf, Group Manager, a Power of Attorney to sign deeds on behalf of the Council.

**By this Deed**

1. The Council hereby appoints Julie Rebecca Knauf of Wellington, Group Manager, (the Attorney) to be the Council’s attorney to do the following on the Council’s behalf:
  - (a) To sign by way of deeds all documents which the Council is authorised to sign, and
  - (b) To continue to exercise the power under paragraph (a) until such time as the Attorney receives notice in writing from the Council of the revocation of this Power of Attorney.
2. The Council covenants to rectify any agreement or obligation assumed by the Attorney under any deed signed by the Attorney pursuant to or under this Power of Attorney, and to ratify any act, agreement or obligation assumed by the Attorney and necessary to render the foregoing effectual.

**Signed as a Deed on the above date**

Signed by \_\_\_\_\_

(name) \_\_\_\_\_

an elected member of the Wellington Regional Council

in the presence of \_\_\_\_\_.

Signed by \_\_\_\_\_

(name) \_\_\_\_\_

an elected member of the Wellington Regional Council

in the presence of \_\_\_\_\_.

Council  
7 December 2023  
Report 23.405



For Decision

## FINANCIAL DELEGATIONS FOR EMERGENCY EXPENDITURE

### Te take mō te pūrongo

#### Purpose

1. To advise Council on proposed changes to the financial delegations for emergency expenditure not budgeted for in Greater Wellington's Long Term Plan and Annual Plans.

### He tūtohu

#### Recommendations

That Council:

1. **Notes** that officers have reviewed Council's delegation for emergency expenditure, given this delegation has not changed since 2005, and the inflated costs associated with the increasing number and severity of emergency events affecting New Zealand.
2. **Revokes** the delegation made by Council on 15 February 2005 to the Chief Executive for emergency expenditure (Reports 04.701 and 05.59).
3. **Authorises** the Chief Executive to commit emergency expenditure in accordance with the financial delegation set out in Attachment 1.
4. **Authorises** the Group Controller Wellington Region Civil Defence Emergency Management to commit emergency expenditure in accordance with the financial delegation set out in Attachment 2.

### Te horopaki

#### Context

2. A financial delegation provides a specified position with the legal authority to authorise expenditure of Greater Wellington monies. The delegate must exercise their delegation in accordance with the applicable terms and conditions (as set out in the instrument of delegation).
3. Under the Local Government Act 2002, Council determines its proposed expenditure through a statutory process and sets this out in the Long Term Plan and Annual Plans. Where additional or changed expenditure is required, Council needs to formally consider and approve this expenditure.

4. However, given the sudden and potentially significant nature of emergency events:
  - a The Chief Executive may need to act before Council can approve such emergency expenditure
  - b The Group Controller Wellington Region Civil Defence Emergency Management may need to authorise emergency expenditure in the lead up to, and response phase of, an emergency event.
5. With its unpredictable nature and uncertain impact, emergency expenditure is unbudgeted, with no provision made for it in Greater Wellington's Long Term Plan and Annual Plans. Therefore, emergency expenditure requires specific Council approval, even if that approval is sought and given after the emergency expenditure has been committed.

***Delegation to the Chief Executive***

6. On 15 February 2005 (Reports 04.701 and 05.59) Council issued the following delegation to the Chief Executive:

Where emergency work must be undertaken and no Council meeting is scheduled within the required timeframe, the Chief Executive is authorised to spend the amount that is deemed necessary to maintain essential services. If the expenditure is in excess of \$200,000 (GST exclusive), the Chief Executive must make every endeavour to consult the Council Chairperson, or Deputy Chairperson or relevant Committee Chairperson before making the decision to commit to the expenditure.

As soon as possible after the event, a report must be submitted to the Council to advise it of any emergency expenditure.

***Wellington Region Civil Defence Emergency Management Group***

7. The Civil Defence Emergency Management Act 2002 (the CDEM Act) requires every regional council and every territorial authority within a region to establish a Civil Defence Emergency Management Group (a CDEM Group). Section 48 of the CDEM Act requires every CDEM Group to prepare and approve a CDEM Group Plan.
8. The Wellington Region CDEM Group Plan 2019–2024 is intended “to enable the effective and efficient management of significant hazards for which a coordinated emergency management approach is required”<sup>1</sup> and includes a section that indicates<sup>2</sup> the:
  - a Types of emergency expenditure during the lead up to, and during an emergency event
  - b Clear delineation for the recovery phase
  - c Process for a local authority to recover costs through government assistance.
9. Section 26 of the CDEM Act provides for the appointment of a Group Controller Wellington Region CDEM, who is not required to be a Greater Wellington employee. Under section 18(1) of the CDEM Act, the Wellington Region CDEM Group has delegated its emergency powers (under section 85 of that Act) to the Group Controller Wellington

<sup>1</sup> Page 10 of the [Wellington Region CDEM Group Plan](#).

<sup>2</sup> Pages 109 to 110 of the [Wellington Region CDEM Group Plan](#).

Region CDEM. In addition, this position has specific powers conferred on them by the CDEM Act during a state of emergency.

***Delegation to the Group Controller Wellington Region CDEM***

10. To enable the Group Controller Wellington Region CDEM to commit to emergency expenditure, the Chief Executive has sub-delegated their current financial delegation as follows:

During the lead up to an emergency (Levels 1 to 2) and during an emergency (Levels 3 to 5), the Group Controller Wellington Region CDEM, is authorised to spend up to \$200,000 (GST exclusive) and must make every endeavour to consult the Chief Executive and the Council Chair, the Deputy Chair, or the relevant Committee Chair before making the decision to commit to the expenditure. The financial delegation must be exercised consistent with the Emergency Expenditure provisions of the Wellington Region Civil Defence Emergency Management Group Plan. As soon as possible after the event, a report must be submitted to the Council to advise it of any emergency expenditure.

**Te tātaritanga  
Analysis**

11. A financial delegation for emergency expenditure should contain the following elements:
- a A specific period and circumstance for the emergency expenditure - this provides clear time parameters and distinctions between the emergency work, recovery activities, and normal business activities
  - b Approved parameters of emergency expenditure, including any specific limits thresholds, or preconditions before the delegate commits to emergency expenditure
  - c Subsequent reporting to Council for any related emergency expenditure.
12. Officers consider it is timely to review Council's 2005 financial delegation for emergency expenditure as:
- a The approved levels of emergency expenditure haven't been adjusted for inflation (e.g. the current day value of the existing \$200,000 limit is \$322,250<sup>3</sup>) and is now out of step with the financial delegation limits applied by other CDEM Groups (see paragraph 13)
  - b The increasing severity and frequency of weather events affecting New Zealand, including events arising from climate change, is resulting in significant costs relating to repair and replacement of damaged infrastructure and properties, and to providing immediate emergency assistance.

<sup>3</sup> [Inflation calculator - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\).](https://www.rbnz.govt.nz/inflation-calculator)

13. Information obtained from CDEM Groups indicates the following limits for delegated emergency expenditure:

<b>CDEM Group</b>	<b>Financial delegation limit</b>
Northland	\$50,000
Auckland	\$1 million
Waikato	Unlimited
Bay of Plenty	\$100,000
Tairāwhiti	Not stated
Hawkes Bay	\$150,000
Taranaki	\$100,000
Manawatu Whanganui	\$100,000
Wellington	\$200,000
Marlborough	Unlimited
Nelson Tasman	\$100,000
West Coast	\$100,000
Canterbury	\$150,000
Otago	\$25,000
Southland	\$2 million
Chatham Islands	Unlimited

***Delegation to the Chief Executive***

14. Officers propose the following clarifications to the delegation issued to the Chief Executive:
- a Increasing the approved threshold for consultation before committing to related emergency expenditure from the current threshold of \$200,000 (GST exclusive) to a threshold of \$1 million (GST exclusive) to enable a more effective response by the Chief Executive (e.g. in the event of flooding in the Hutt Valley and/or repairs to stop banks)
  - b Setting a limit on the amount that can be subdelegated to specified Group Managers.
15. In accordance with Council’s normal practice, we propose that the current 2005 financial delegation is revoked and replaced with a new financial delegation to the Chief Executive for emergency expenditure ([Attachment 1](#)).

***Delegation to the Group Controller Wellington Region CDEM***

16. We consider that a direct financial delegation from Council is appropriate, rather than the current sub-delegation from the Chief Executive.
17. Officers propose the new delegation has the following key elements:
  - a Clear start and end points for related emergency expenditure by referencing and defining an emergency event
  - b Removing the limit on total expenditure for an emergency event, and setting a \$1 million (GST exclusive) threshold at which formal pre-approval of additional emergency expenditure for that event is required by the Chief Executive. This approach recognises the unlimited financial responsibilities assigned to Greater Wellington under the current Wellington Region CDEM Group Plan in the response phase of an emergency event.
  - c Clarifying the relationship between the emergency expenditure and Greater Wellington's financial responsibilities by:
    - i Explicitly noting that this is an expenditure of Greater Wellington monies
    - ii Linking this emergency expenditure to the Wellington Region CDEM Group Plan 2019–2024 and its successor plans ([Attachment 3](#) sets out Greater Wellington's current funding responsibilities)
    - iii Changing the consultation requirement to ongoing engagement with the Chief Executive and formal pre-approval for additional expenditure over the specified limit (we expect these pre-approvals to occur in tranches)
  - d Clarifying that the Chief Executive will submit the subsequent report to Council for Council's approval of the unbudgeted expenditure.
18. The wording of the proposed financial delegation to the Group Controller Wellington Region CDEM is included in [Attachment 2](#).

**Ngā hua ahumoni**

**Financial implications**

19. There are no additional financial implications from the proposed decisions, as the level of emergency expenditure required to respond to an emergency event is unknown. In such cases, the related costs fall outside of planned and approved Long Term Plan or Annual Plan budgets, so Council is required to consider how to fund this emergency expenditure (as it is unbudgeted).
20. We note that some response costs, such as welfare costs, may be able to be claimed back from the National Emergency Management Agency if the financial expenditure requirements of the National CDEM Plan are considered to have been met.

## **Ngā Take e hāngai ana te iwi Māori**

### **Implications for Māori**

21. Māori play a key role in responding to emergency events and are a critical partner for the Wellington Region CDEM Group. We expect that increasing the financial limits before consultation or formal pre-approval is required, will help ensure key resources get to community organisations, such as marae, and the communities they support, without undue delay.

## **Ngā tikanga whakatau**

### **Decision-making process**

22. The matters requiring decision in this report were considered against the requirements of Part 6 of the Local Government Act 2002.

## **Te hiranga**

### **Significance**

23. Officers considered the significance (as defined by Part 6 of the Local Government Act 2002) of this matter, taking into account Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*. Officers recommend that this matter is of low significance.

## **Te whakatūtakitaki**

### **Engagement**

24. No external engagement on the matters for decision was required.

## **Ngā tūāoma e whai ake nei**

### **Next steps**

25. Assuming Council's agreement to the proposed financial delegations:
- a These delegations will be communicated to the Chief Executive and the Regional Manager of WREMO, and included in Greater Wellington's *Delegations Manual*
  - b The Chief Executive will consider issuing sub-delegations to specific Group Managers for emergency expenditure.

## **Ngā āpitihanga**

### **Attachments**

<b>Number</b>	<b>Title</b>
1	Proposed financial delegation to the Chief Executive for emergency expenditure
2	Proposed financial delegation to the Group Controller Wellington Region Civil Defence Emergency Management for emergency expenditure

Number	Title
3	Council's funding responsibilities for emergency expenditure under the Wellington Region CDEM Group Plan 2019–2024

**Ngā kaiwaitohu  
Signatories**

Writer	Will Ogier, Principal Advisor Democratic Services
Approvers	Francis Ryan, Head of Governance and Democracy Keith Evans, Head of Business Resilience Alison Trustrum-Rainey, Group Manager Finance and Risk Luke Troy, Group Manager Strategy

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council's roles or with Committee's terms of reference</i></b> Council may delegate its powers, functions, and duties to the Chief Executive and specified positions.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> The proposed delegation contributes to a core Greater Wellington responsibility to coordinate the response to a civil defence emergency.
<b><i>Internal consultation</i></b> We have consulted with the Regional Manager of the WREMO.
<b><i>Risks and impacts - legal / health and safety etc.</i></b> The proposed decisions reduce the risk of an uncoordinated response to an emergency event.

**Attachment 1 to Report 23.405**

**Proposed financial delegation to the Chief Executive for emergency expenditure**

Where emergency work is required to maintain and/or protect Greater Wellington staff, infrastructure, assets, and services, and no Council meeting is scheduled or practicable to approve related emergency expenditure before it is committed, the Chief Executive is authorised to commit the financial amount that is deemed necessary to undertake the emergency work. Once the financial amount committed for emergency work reaches \$1,000,000 (GST exclusive), the Chief Executive must make every endeavour to consult the Council Chairperson or Deputy Chairperson before committing to additional emergency expenditure.

As soon as possible after the emergency expenditure is committed, the Chief Executive must submit a report to the Council to advise it of the emergency expenditure committed through the exercise of this delegation.

The Chief Executive may sub-delegate this financial delegation to specified Group Managers, subject to a financial limit of \$500,000 (GST exclusive) for each specified Group Manager.

This delegation is subject, as applicable, to the general terms, conditions, and limitations of delegations stated in Greater Wellington's *Delegations Manual*.

DRAFT

**Attachment 2 to Report 23.405**

**Proposed financial delegation to the Group Controller Wellington Region CDEM for emergency expenditure**

In the lead up to and during an emergency event<sup>1</sup>, the Group Controller Wellington Region Civil Defence Emergency Management (CDEM) is authorised to commit Greater Wellington monies in accordance with Greater Wellington's responsibilities under the 'Emergency expenditure' provisions of the Wellington Regional CDEM Group Plan 2019–2024 and its successor group plans.

The Group Controller Wellington Region CDEM must make every endeavour to inform the Chief Executive of this emergency expenditure as it is committed. Once the total of the emergency expenditure committed in an emergency event reaches \$1 million (GST exclusive), the Chief Executive's approval must be obtained before the Group Controller Wellington Region CDEM commits to any further emergency expenditure.

As soon as possible after the emergency event, the Chief Executive shall arrange for a report to be submitted to the Council to advise it of any emergency expenditure committed through the exercise of this delegation.

This delegation is subject, as applicable, to the general terms, conditions, and limitations of delegations stated in Greater Wellington's *Delegations Manual*.

DRAFT

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<sup>1</sup> An 'emergency event' is an event where the Wellington Region's Emergency Coordination Centre is activated by the Group Controller or activation is reasonably envisaged.

**Attachment 3 to Report 23.405**

**Council's funding responsibilities for emergency expenditure under the Wellington Region CDEM Plan 2019–2024**

From pages 109 to 110 of the [Wellington Region CDEM Plan 2019–2024](#):

**Emergency expenditure**

All councils will ensure that appropriate delegations are made to enable Local and Group Controllers to meet start-up costs to respond to an emergency. WREMO shall also work with and assist the councils to develop cost recovery rules in the event one or more council support another council in responding to an emergency within its jurisdiction.

It is essential that for all emergency expenditure there are clear authorisations and details for the expenditure.

More specifically:

**During the lead up to an emergency**

Greater Wellington Regional Council is responsible for funding:

- All costs associated with the resourcing, activation and operation of the Group ECC.
- All reasonable direct expenses incurred by the Group Controller.
- All reasonable direct expenses (e.g. travel, meals, and accommodation) incurred by requested technical advisors.

Territorial authorities are responsible for meeting all costs associated with the local CDEM response, personnel, facilities and resources.

**During an emergency**

Greater Wellington Regional Council is responsible for funding:

- All costs associated with the resourcing, activation and operation of the Group ECC.
- All reasonable direct expenses incurred by the Group Controller.
- All reasonable direct expenses (e.g. travel, meals, and accommodation) incurred by requested technical advisors.
- Costs associated with the use of resources and services under the direction of the Group Controller.

Territorial authorities are responsible for meeting emergency expenditure incurred within their districts and arising out of the use of resources under the direction of the Local Controller.

Territorial authorities take full first line responsibility for dealing with the impact of the disaster in their geographic and functional areas of responsibility.

A clear record of who authorises any expenditure and its purpose must be kept.

**During recovery**

Upon the cessation of an emergency, the expenditure regime established for the response phase must be closed off and recommenced for the recovery phase under the direction of the Group Recovery Manager. A clear record of who authorises any expenditure and its purpose must be kept.

**Council**  
**7 December 2023**  
**Report 23.640**



**For Decision**

## **GREATER WELLINGTON'S QUARTER ONE SUMMARY REPORT 2023/24**

### **Te take mō te pūrongo**

#### **Purpose**

1. To advise the Council on the performance of Greater Wellington Regional Council (Greater Wellington) for the first three months of the 2023/24 financial year (1 July 2023 – 30 September 2023).

### **He tūtohu**

#### **Recommendation**

That Council **accepts** Greater Wellington's performance report for the three months to 30 September 2023 (Greater Wellington's Quarter One Summary Report as at 30 September 2023 – Attachment 1).

### **Te horopaki**

#### **Context**

2. Quarterly reporting is an internal monitoring tool for tracking progress against Greater Wellington's work programme for 2023/24. This reporting reflects on what is going well, and indicates what issues and risks need to be managed to enable us to achieve what we have committed to in Year Three of the 2021-31 Long Term Plan.
3. A performance summary is presented to Council after the end of the related period (e.g. each quarter), and the Annual Report is presented as a full-year wrap up in lieu of a fourth quarter report.

### **Te tātaritanga**

#### **Analysis**

4. Greater Wellington's Quarter One Summary Report, as at 30 September 2023 ([Attachment 1](#)), provides an update on performance during the period 1 July – 30 September 2023 (the first quarter of 2023/24 financial year, the third year of the 2021-31 Long Term Plan). It includes:
  - a a high-level summary of Greater Wellington's quarter one highlights and challenges;

- b the status of our 2021-31 Long Term Plan non-financial performance measures, Chief Executive key performance indicators, and major projects, as at 30 September 2023;
- c an overview of the quarter's performance by Long Term Plan Activity Group;
- d examples of how we have contributed to our overarching LTP Strategic Priorities since 1 July 2023; and
- e a summary of financial performance for the period ending 30 September 2023.

### **Ngā hua ahumoni**

#### **Financial implications**

- 5. There are no financial implications arising from this report. Greater Wellington's financial performance for the first quarter of the 2023/24 financial year is detailed in Attachment 1.

### **Ngā Take e hāngai ana te iwi Māori**

#### **Implications for Māori**

- 6. Improving outcomes for mana whenua and Māori is one of the overarching strategic priorities in Greater Wellington's 2021-31 Long Term Plan. Attachment 1 includes highlights of activities undertaken during the first quarter of 2023/24 working towards improved outcomes for mana whenua and Māori.
- 7. The matter for decision is administrative in nature, reporting on work already completed by the Council over first quarter of 2023/24. As such no engagement has been undertaken with Māori on this matter.

### **Te huritao ki te huringa o te āhuarangi**

#### **Consideration of climate change**

- 8. Responding to the climate emergency is one of the overarching strategic priorities in Greater Wellington's 2021-31 Long Term Plan. Attachment 1 includes highlights of relevant activities undertaken during the first quarter of 2023/24.

### **Ngā tikanga whakatau**

#### **Decision-making process**

- 9. The matter requiring decision in this report was considered by officers against the decision-making requirements of Part 6 of the Local Government Act 2002.

### **Te hiranga**

#### **Significance**

- 10. Officers considered the significance (as defined by Part 6 of the Local Government Act 2002) of the matter for decision, taking into account Council's Significance and Engagement Policy and Greater Wellington's Decision-making Guidelines.

11. Officers recommend that this matter is of low significance as it will not impact on the Wellington Region or a particular community interest; is consistent with Greater Wellington's policies and strategies; and does not impact on Greater Wellington's capability or capacity.

**Te whakatūtakitaki**

**Engagement**

12. Due to the low significance of the matter for decision, no engagement was considered necessary.

**Ngā tūāoma e whai ake nei**

**Next steps**

13. No further action is required.

**Ngā āpitihanga**

**Attachment**

Number	Title
1	Greater Wellington's Quarter One Summary Report as at 30 September 2023

**Ngā kaiwaitohu**

**Signatories**

Writer	Sam Ripley – Kaitohutohu   Advisor, Planning and Reporting
Approvers	Zofia Miliszewska – Kaiwhakahaere Matua   Head of Strategy & Performance Luke Troy – Kaiwhakahaere Matua Rautaki   Group Manager Strategy Nigel Corry – Tumu Whakarae   Chief Executive

<p style="text-align: center;"><b>He whakarāpopoto i ngā huritaonga</b> <b>Summary of considerations</b></p>
<p><b><i>Fit with Council's roles or with Committee's terms of reference</i></b></p> <p>One of Council's key governance functions is to review the effectiveness of Greater Wellington's performance. It is also important for public transparency that this review occurs at a Council meeting.</p>
<p><b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b></p> <p><b>Attachment 1</b> reports on how Greater Wellington is achieving against the expected results for Year Three of its 2021-31 Long Term Plan (the 2023/24 Annual Plan).</p>
<p><b><i>Internal consultation</i></b></p> <p>All Business Groups and the Executive Leadership Team were consulted in the preparation of Attachment 1. The report was also reviewed by the Chief Executive.</p>
<p><b><i>Risks and impacts - legal / health and safety etc.</i></b></p> <p>There are no identified risks or impacts associated with the content or recommendation in this report.</p>

**Te Pane Matua Taiao**  
**Greater Wellington Regional Council**  
**Summary of 2023/24 Performance**  
*Quarter One: 1 July 2023 to 30 September 2023*

**Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24**

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## Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

### Purpose

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To support a 'no surprises' reporting approach by providing Council with an overview challenges, highlights, and progress made against key measures.

### Content of this report

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This report summarises Greater Wellington's progress from 1 July to 30 September 2023 – the first quarter of the 2023/24 financial year – the third year of the [2021-31 Long Term Plan](#) (LTP).

Content of this report includes:

- Summary of highlights and challenges for Greater Wellington;
- progress against our 2021-31 LTP non-financial performance measures, Chief Executive key performance indicators and status of major projects;
- an overview of the quarter's performance by LTP Activity Group;
- progress against our 2021-31 LTP overarching strategic priorities;
- financial performance for the period ending 30 September 2023; and
- organisational health, safety and wellbeing as at 30 September 2023.

#### ***Recap of last year – where have we come from?***

In 2022/23, delivery of some work programmes and associated non-financial performance measures were impacted by nationally-significant events such as cyclones and the lingering impacts of COVID-19. Other challenges included pressures of a tight labour market, rising inflation, and responding to central government reform on top of usual work programmes.

Working through the year's challenges required significant mahi and collaboration. As at June 30 June 2023, we achieved 61 percent of our LTP Non-Financial Measures, noting that many 'Not Achieved' measures came within a narrow margin of targets for the year.

#### ***Looking ahead – where are we going?***

At the start of 2023/24, reporting as at 30 September 2023 suggests some of last year's challenges have abated, with public transport staffing shortages improving, and good results in environmental restoration work disrupted by severe weather in the previous financial year.

Alongside delivery of the final year of 2021-31 Long Term Plan, Greater Wellington is also developing the 2024-34 Long Term Plan. The potential for cost increases has been a primary dynamic in developing the 2024-34 LTP, as Council strives to balance our commitments to the rohe alongside a rising cost of doing business.

Uncertainty on the potential impacts of a change in Government funding has been a theme throughout quarter one and is expected to continue through the year as councils await decisions that may impact funding of major projects and services.

## Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

### Overall Highlights

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#### **Catching up on delays from last year's cyclones and severe weather**

A large amount of flooding and erosion events occurred throughout 2022/23, resulting in delay to a range of work, particularly outdoor and weather dependent work such as environmental restoration programmes. In the first quarter of 2023/24, progress on environmental restoration works has been positive. For example, 272,000 native species were planted, and 105 hectares of grazed land restored.

#### **Continuing improvements to our Public Transport services**

In recent years, delivery of public transport service levels have been negatively impacted by a range of challenges, including bus driver shortages, frontline staff absenteeism (from COVID-19 and seasonal sickness), inclement weather and flooding events, and associated speed restrictions on our rail network.

Part of Greater Wellington's response was to engage in national-level discussions around improvements to bus driver pay and conditions, as well as fair pay agreements across the New Zealand public transport sector. The benefits of this strategy have shown major returns, as the driver shortage gap continues to reduce, with only 30 more drivers needed to reach staffing goals.

### Overall Challenges

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#### **Uncertainty surrounding the change in Government**

The possibility of a change of Government and consequent changes to key policies and funding streams following the Central Government elections, in October 2023, posed challenges for developing the next Long Term Plan and challenges in planning the delivery of some major projects through the quarter including Let's Get Wellington Moving and the Te Maura water treatment plant. Details on how projects were impacted can be found in *Appendix Three: Major Projects*.

#### **Funding constraints and overall affordability**

As Greater Wellington and other councils contend with the potential for flow-on impacts in funding from a change in Government, there is also a more general challenge of affordability. As households experience pressure from rising interest costs and inflation, Council must also weigh the increased 'cost of doing business' with the affordability of increases in rates to ratepayers.

#### **'System fatigue' across local government and community**

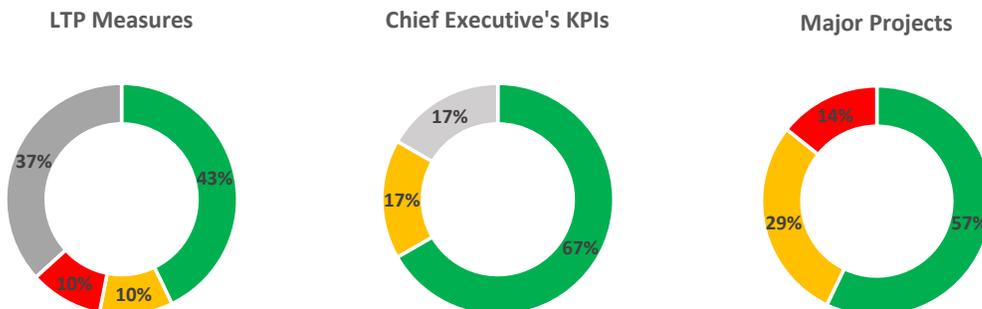
After several years of ongoing challenges related to COVID-19 as well as more recent impacts from cyclones and severe weather, there is a certain level of system fatigue across communities as well as local government. This has been experienced on the ground, with an increase in tense or difficult customer interactions. It is also felt across professions and all levels of local government, which has been experiencing an unprecedented period of pressure to deliver in an uncertain and changing context and manage a growing affordability crisis caused by restricted revenue and rising costs.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Non-financial Performance Indicators

	On Track
	At Risk
	Off Track
	Not Measured

As at 30 September 2023:



Commentary:

- Overall performance is positive, with a stronger starting position compared to Q1 of 2022/23 as well as Q1 of 2021/22. Comparing the proportion of 'on track' indicators to previous years, Chief Executive's KPIs are up, and LTP Measures are consistent with previous years.
- Environmental restoration work is progressing well after last year's weather disruptions, and public transport is showing a steady trend of improvement overall.
- Physical infrastructure is a common factor for most off track indicators. The slow pace of maintenance on rail lines have impacted train performance, and water reforms have prompted upgrades to water infrastructure that are unlikely to be resolved within the year.
- Progress on some of our major projects has been affected by uncertainty related to the change in government and potential impacts on funding.
- Many LTP measures and Chief Executive KPIs are not measured until quarter four, as they are dependent on surveying and auditing completed at the end of the financial year. For example, the Metlink Annual Passenger Satisfaction Survey accounts for approximately 15 percent of the LTP measures and is not undertaken until the last quarter of each financial year.

**For more detailed information see:** Appendix One for the LTP Non-Financial Performance Measures; Appendix Two for the Chief Executive KPIs; Appendix Three for Major Projects.

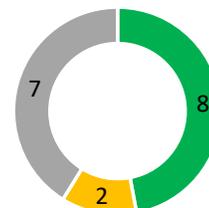
Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

**Overview of LTP Activity Group Performance**

This section provides an overview of progress made by each Activity Group made during the quarter. See Appendix One for details on each LTP Performance Measure.

**Ko te haumarū taiao me te waipuke | Environment and Flood Protection**

Delivery of environmental restoration services continued, with a significant 'catch up' in quarter one of this year, following severe weather disruptions in 2022/23. Planting of indigenous species and treatment of erosion-prone land exceeded targets this quarter, putting restoration programmes on a good footing towards our year-end targets. Through programmes such as Recloaking Papatuanuku and our erosion-prone hill country programmes, over 270,000 native plant stems were planted, and 105 hectares of erosion-prone land treated.

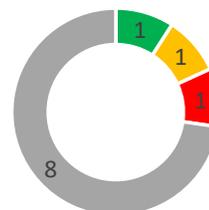


Recreation opportunities are also part of how we deliver integrated social and environmental benefits. Visitors to our Regional Parks are also on track compared to last year, with nearly 649,000 visitors to our parks in quarter one.

This quarter also included notifying on the Natural Resources Plan Change 1. This Plan Change focuses on amendments to air quality rules, how we treat indigenous biodiversity, and how we manage freshwater and coastal waters.

**Ngā waka tūmatanui | Metlink Public Transport**

Strategies to improve public transport services and return to a pre-COVID (2019) levels of service continue to show positive results. Work done to improve the shortage of bus drivers continues to yield results, with the driver gap down to 30 drivers by the end of the quarter.



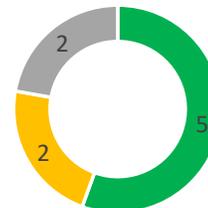
At the start of quarter one, Metlink delivered public transport support for the 2023 FIFA Women's World Cup, enabling thousands of football fans to be a part of the event. Coordinating public transport for the World Cup was a major body of work, with nine games at Wellington Regional Stadium attended by over 230,000 fans. Metlink provided an integrated ticketing solution, which included free transport on game days for ticket holders.

During quarter one, we also progressed projects aimed at improving accessibility of bus services, including the implementation of Community Connect, and the roll out of on-board stop announcements. Community Connect is a targeted package programme that makes public transport more affordable, and the onboard stop announcements has been well received by the blind and low-vision community.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

**Ko te mahere ā-rohe me ngā rangapū | Regional Strategy and Partnerships**

Leading and supporting the development of corporate and regional plans has been a significant area of work for Regional Strategy and Partnerships, including preparing for consultation on the Wellington Regions' Future Development Strategy. The Future Development Strategy is a key part of how our Region looks ahead to influence where and how we build, and to influence positive social and environmental outcomes. The preparation of this Strategy has been led by the Wellington Regional Leadership Committee, of which Greater Wellington is a member and the administering authority for.



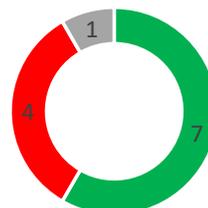
This quarter we continued to expand our programmes to mitigate and adapt to the impacts of climate change. The Climate Committee endorsed updates to the Council's Climate Emergency Response Action Plans, one focused on Greater Wellington as an organisation, and the other with a focus on the Region as a whole.

With last year's focus on response and recovery to cyclones and severe weather, we offered more training for staffing the Emergency Coordination Centre, a key part of how our region coordinates during emergencies.

Quarter one also saw the completion of Greater Wellington's inaugural Ti Tiriti audit. Results of the audit are being assessed, and will be used to scope how we build a culture of accountability and transparency towards our partnerships with mana whenua.

**Ngā puna wai | Water Supply**

Quarter one saw a slower pace around Affordable Water reforms, as councils await the impacts of a potential change in Government. Wellington Water Limited, who deliver Greater Wellington's bulk water supply services on our behalf, continues to promote increased investment in network renewals, and is seeking guidance from Taumata Arowai on new regulations for chlorination of water.



## Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

### Snapshot of our LTP Strategic Priorities

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Greater Wellington identified four key overarching strategic priorities in our 2021-31 Long Term Plan. Each Activity Group works to incorporate these priorities throughout their work. Below are some of examples of how we responded to each Strategic Priority during the first quarter of 2023/24.

#### Improving outcomes for mana whenua and Māori

- The LTP Committee, which includes representatives from mana whenua partners, endorsed an emerging strategic direction, which includes a cross-organisation focus area for active mana whenua partnerships, in the 2024-34 LTP.
- Included Te Tiriti o Waitangi as category for assessing risk, to ensure policy is driving us towards upholding treaty obligations.
- Engaged Taranaki Whanui on planning for development of a new bus depot.
- Saw an increased participation of Māori in our vendor partnerships.
- Delivered Kaupapa funding to enable mana whenua partners, which supports their ability to grow their organisational capacity.

#### Responding to the climate emergency

- The Climate Committee endorsed Greater Wellington's updated Organisational and Regional Climate Emergency Response Action Plans
- Completed the first stage of a major organisational climate-related risk assessment, as part of the development of a broader organisational climate adaptation plan for the Council.

#### Aligning to Government direction

- Affordable Waters Reform: awaiting impacts of changes in Government
- Assessing feasibility of deadlines for the National Policy Statement – Freshwater Management
- Assessed potential changes required by the Land Transport Management Amendment Act, including implications for public transport authorities and operators.

#### Adapting and responding to the impacts of COVID-19

- Saw an increase in public transport patronage, with bus patronage reaching 92.7 percent and rail 77.3 percent of pre-COVID (2019) levels.
- Adapted to ongoing supplies and supplier shortages by extending some contracts rather than going for re-tender in order to maintain continuity of supply.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

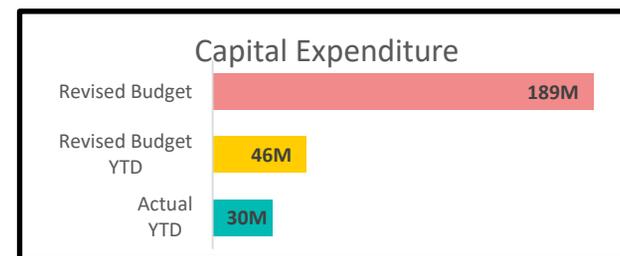
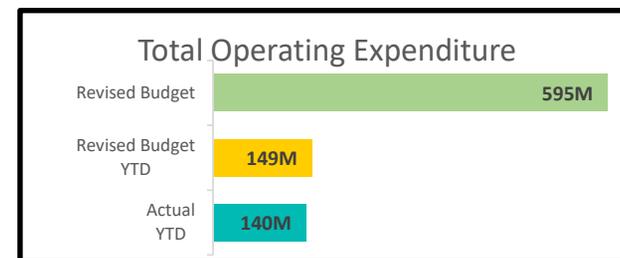
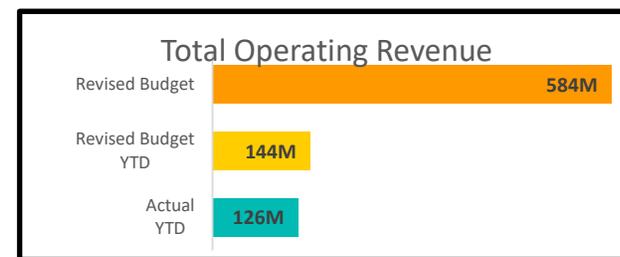
Financial Performance – Quarter One

Revenue and expense – operating and capital

This statement provides year to date financials for period ending 30 September 2023 with comparisons to the budget set in the 2023-24 Annual Plan plus re-budgets approved by Council (Revised Budget).

Summarised Profit and Loss  
as at September 2023

	Year to date				Full Year Revised Budget \$000s
	Actual \$000s	Revised Budget \$000s	Variance \$000s		
<b>Operating Revenue</b>					
Rates and Levies	66,091	65,905	185	0%	263,622
Grants and Subsidies	35,477	39,635	(4,158)	-10%	157,953
Other Revenue	24,125	38,194	(14,069)	-37%	162,189
<b>Total Operating Revenue</b>	<b>125,693</b>	<b>143,735</b>	<b>(18,042)</b>	<b>-13%</b>	<b>583,764</b>
<b>Operating Expenditure</b>					
Personnel	20,417	20,426	(09)	0%	83,878
Grants and Subsidies	61,574	62,941	(1,367)	-2%	252,152
Consultants, Contractors and Suppliers	38,320	47,802	(9,482)	-20%	183,769
Finance Costs	11,462	9,659	1,804	19%	42,252
Depreciation	8,327	8,328	(01)	0%	33,181
<b>Total Operating Expenditure</b>	<b>140,100</b>	<b>149,156</b>	<b>(9,056)</b>	<b>-6%</b>	<b>595,232</b>
<b>Operating Surplus/(Deficit) before other items</b>	<b>(14,407)</b>	<b>(5,421)</b>	<b>(8,986)</b>	<b>166%</b>	<b>(11,468)</b>
Fair Value Movements	-	-	-	0%	-
<b>Operating Surplus/(Deficit)</b>	<b>(14,407)</b>	<b>(5,421)</b>	<b>(8,986)</b>	<b>166%</b>	<b>(11,468)</b>
<b>Capital Expenditure</b>	<b>29,585</b>	<b>46,451</b>	<b>(16,866)</b>	<b>-36%</b>	<b>188,993</b>



## Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

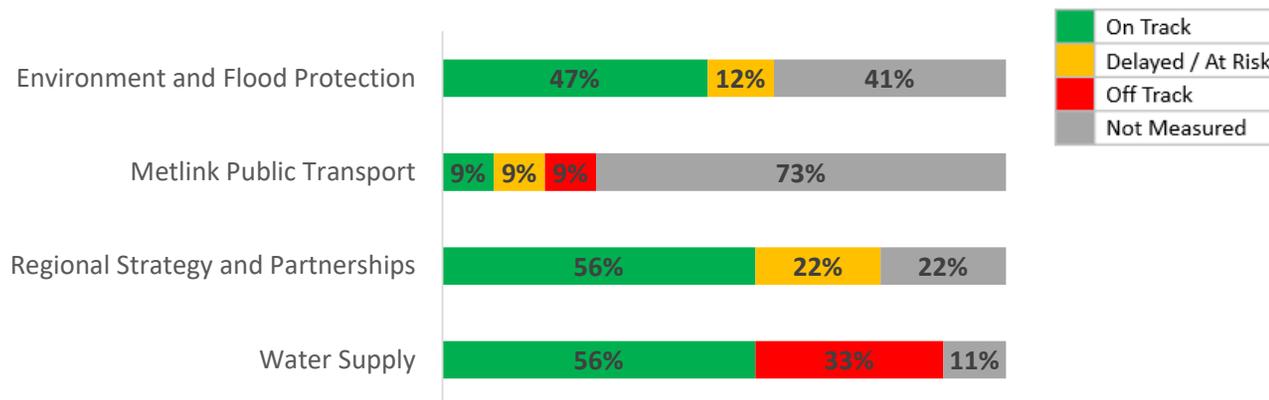
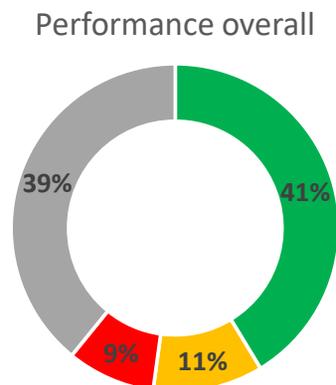
### Finance Insights

- **Farebox revenue** continues to be a challenge in the first quarter of 2023/24, driven by providing half-price fares for public transport through July and August without Waka Kotahi subsidy (estimated to be \$7.1m) and change in travel behaviour since the patronage level assumptions were set, (\$6.7m). Discussions are ongoing with Waka Kotahi to obtain additional support half-price fares currently down by \$16.0m.
- **Capital Expenditure** is 36 percent behind budget mostly due to RiverLink work being heavily scheduled for the second half of the financial year when the alliance partner has come on board and other project delays caused by the winter weather.
- **Green loans** relating to 2022/23 RiverLink capital expenditure to the value of \$14m have been drawn down in 2023/24. The RiverLink project qualifies for green loans at a favourable loan rate from the Local Government Funding Agency as it supports climate change adaptation.
- The first **forecast of 2023/24** will be done in Ngātahi by end of November 2023. This will provide more insight into what the year-end performance will look like and focus on the monthly phasing of OPEX and CAPEX expenditure.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

**APPENDIX ONE: Long Term Plan Non-Financial Measures – Quarter One**

Results from Quarter One of 2023/24:



ENVIRONMENT & FLOOD PROTECTION									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2023/24 Target	Quarter Status	Quarter Result	Commentary
Thriving Environment	Protect and restore our freshwater quality and blue belt	Delivery of the Ruamāhanga, Te Awarua-o-Porirua and Te Whanganui-a-Tara Whaitua implementation programmes	Water quality in the region is maintained or improved	Macroinvertebrate Community Index (MCI) score is maintained or improved	New Measure	Achieved	Not Measured		Not measured. To be reported at year-end.
			Support landowners through incentive funding and advice to develop and implement	Percentage of Greater Wellington incentive funding used to advance Whaitua Implementation Programme priorities, through	New Measure	75%	Not Measured		Not measured. To be reported at year-end.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

ENVIRONMENT & FLOOD PROTECTION									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2023/24 Target	Quarter Status	Quarter Result	Commentary
			freshwater farm plans, which reduce nutrient and sediment discharges.	completion of high impact freshwater farm plan actions					
			Deliver treatment programme on identified erosion-prone land	Erosion-prone hill country treated	755 ha	825 ha	Not Measured	N/A	Not measured. To be reported at year-end.
	Protect and restore indigenous biodiversity and ecosystem health	Implement the Regional Pest Management Plan (RPMP) and support Predator Free Wellington Initiatives	Provide pest species control services across the region	Provide pest animal and plant management as per RPMP Operational Plans	New Measure	Achieved	On Track / Achieved		Rook survey completed, wallaby sightings investigated, KNE, RPCP and Biosecurity Services predator and ungulate control work underway for year.
				Provide pest species control services as agreed with Predator Free Wellington	New Measure	Achieved	On Track / Achieved		Phase 1 of the PFW project at near completion with a tiny portion of the 1000ha under active service. Phase 2 of the project (CBD to Owhiro Bay) well underway and progressing at pace.
	Implementing nature based solutions to climate change	Implement the Regional Pest Management Plan (RPMP) and support Predator Free Wellington Initiatives	Implement the objectives of the Greater Wellington Biodiversity Strategy	Biodiversity Strategy objectives are being actively progressed by Greater Wellington	New Measure	Achieved	Not Measured		Not measured. To be reported at year-end.
Resilient future	Communities safeguarded from major flooding	RiverLink flood control works completed	Progress towards completion of the RiverLink flood control works	Implement RiverLink in accordance with the approved Preliminary Design	New Measure	Construction progressed	On Track / Achieved		

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

ENVIRONMENT & FLOOD PROTECTION									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2023/24 Target	Quarter Status	Quarter Result	Commentary
Thriving Environment	Protect and restore our freshwater quality and blue belt		Provide environmental information to the community and our stakeholders	Major flood protection and control works are maintained, repaired, and renewed to the key standards defined in relevant planning documents	Yes	Yes	On Track / Achieved		Flood protection and erosion control infrastructure assets have been managed satisfactorily to the agreed LoS. Noting that current budgets are insufficient to ensure that assets are maintained in the long term. Maintenance is being prioritised against critical assets only.
				Percentage of identified vulnerable floodplains with a flood management plan in place	30%	40%	Not Measured		Not measured. To be reported at year-end.
				Timely Information from core environmental monitoring programmes is made available to the public via the Greater Wellington website	New Measure	Achieved	At Risk / Partly Achieved		A total of 16 annual monitoring reports are to be produced this year. Only 4 of the 13 (31%) reports that were due to be published by the end of Q1 were completed on time.
				Where rates of compliance for high risk activities are less than 80 percent, develop and implement a strategy to improve the rate of compliance	> 80%	Improved	Not Measured		Not measured. To be reported at year-end.
			Customer satisfaction for the resource	Level of overall satisfaction with consent processing services	4.33	> 4	On Track / Achieved		

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

ENVIRONMENT & FLOOD PROTECTION									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2023/24 Target	Quarter Status	Quarter Result	Commentary
			consent service						
	Protect and restore indigenous biodiversity and ecosystem health	Re-afforestation and protection and restoration of wetlands across our regional parks network	Protect and care for the environment, landscape, and heritage	<b>Grazed land retired and restored to its native state</b>	New Measure	<b>100 ha</b>	<b>On Track / Achieved</b>	105 ha	105 ha of retired grazing area has been planted in Q1
		Re-afforestation and protection and restoration of wetlands across our regional parks network		<b>Indigenous species planted</b>	63,000	<b>60,000</b>	<b>On Track / Achieved</b>	272,000	272,000 native plants planted in Q1
	Implementing nature based solutions to climate change	Improve recreational enjoyment and environmental value of regional parks	Customer satisfaction and improved public access	<b>Percentage of regional park visitors that are satisfied with their experience</b>	98%	<b>95%</b>	<b>Not Measured</b>		Not measured. To be reported at year-end.
				<b>Annual number of visits to a regional park</b>	1.76 million	<b>Increase from previous year</b>	<b>On Track / Achieved</b>	648,996	648,966 visitors in Q1. Numbers will increase through summer months.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

ENVIRONMENT & FLOOD PROTECTION									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2023/24 Target	Quarter Status	Quarter Result	Commentary
Resilient Future			Manage the safety of marine activities in the region's waters	Percentage of identified risks within the Harbour Risk Assessment that have been reviewed	New Measure	70%	At Risk / Partly Achieved		This work was delayed due to operational constraints. This work is now happening in regularly scheduled workshops with Centreport and progressing well.

METLINK PUBLIC TRANSPORT									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
Thriving Environment Connected Communities, Resilient Future,	An efficient, accessible and low carbon public transport network	Improving the customer experience across all areas of the public transport network	Provide a consistent and high quality customer experience across the public transport network	Passengers' overall satisfaction with the Metlink public transport (by mode)	New Measure	Bus - 94% customer satisfaction score	Not measured	Measured Annually	Measured annually
				Passengers' overall satisfaction with the Metlink public transport (by mode)	New Measure	Rail - 94% customer satisfaction score	Not measured	Measured Annually	Measured annually
				Passengers' overall satisfaction with the Metlink public transport (by mode)	New Measure	Ferry - >98% customer satisfaction score	Not measured	Measured Annually	Measured annually
				Passenger satisfaction with convenience of paying for Metlink public transport	New Measure	>78% customer satisfaction score	Not measured	Measured Annually	Measured annually
				Passenger satisfaction with Metlink information currently available	New Measure	>89% customer satisfaction score	Not measured	Measured Annually	Measured annually

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

METLINK PUBLIC TRANSPORT									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
				Passenger satisfaction with Metlink public transport being on time	New Measure	>82% customer satisfaction score	Not measured	Measured Annually	Measured annually
				Percentage of scheduled bus trips that depart their timetabled starting location on time (punctuality) – to 5 minutes	94.2%	95%	At Risk / Partly Achieved	94.10%	The majority of our network achieved well over the 95% target, but because punctuality primarily reflects the external environment and its impact on timetable compliance (particularly in Wellington City, Porirua and the Wairarapa) these areas have brought the overall score down. In some cases driver error with information input into systems will be a cause too.
				Percentage of scheduled rail services on-time (punctuality) – to 5 minutes	89.4%	95%	Off Track / Not Achieved	79.20%	Speed restrictions continue to impact services, in particular on the Wairarapa line which had extremely poor performance, this is due to continue until December while the work continues – although there will still be speed restrictions in place after December. The two SPAD (Signal Passed At Danger) incidents also impacted on punctuality as the services caught behind the affected services took time to catch up to schedule
		40 percent increase in regional mode share for public transport and active modes by 2030	Promote and encourage people to move from private vehicles to public transport	Annual Public Transport boardings per capita	63 per capita	67 per capita	On Track / Achieved	71.3	This reflects the continued increase in PT patronage.
			Provide fit-for-purpose vehicles, infrastructure and services to continually deliver a high quality core network that	Percentage of passengers who are satisfied with the condition of the station/ stop/wharf	New Measure (88% Nov 2020)	94%	Not Measured	Measured annually	Measured annually

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

METLINK PUBLIC TRANSPORT									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
			meets ongoing demand						
		Reducing public transport emissions by accelerating decarbonisation of the vehicle fleet (bus, rail, ferry)	Gross emissions for Metlink's public transport fleet will be minimised, reducing the offsets required to reach net carbon neutrality	Percentage of passengers who are satisfied with the condition of the vehicle fleet	New Measure (94% Nov 2020)	94%	Not Measured	Measured annually	Measured annually
	Tonnes of CO2 emitted per year on Metlink Public Transport Services			New Measure (22,030)	17,818 tonnes	Not Measured	Measured annually	Measured annually	
			Reduction of accidental death and serious injury on the public transport network and prioritisation of safety and maintenance on the Public Transport network to encourage safe behaviours	Accidental deaths and serious injuries sustained on the Public Transport network as a result of Metlink or operator activity	New Measure	5% Reduction compared to previous year	Not Measured	Measured annually	Measured end of year.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

REGIONAL STRATEGY AND PARTNERSHIPS									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
Resilient Future	Taking regional climate action through regional strategy, collaboration and advocacy	Working collectively with partners to take regional climate action	Reduction of GW corporate carbon emissions. Climate Emergency Action Plans	<b>Reduction in tonnes of CO2 equivalent emissions</b>	New measure	Reduction compared with previous year	<b>Not Measured</b>	Measured annually and reported in Q4	Preliminary results for the 2022/23 financial year show a 22% reduction compared to the base year 2018/19, and a 12% reduction compared to 2021/22. This result will be verified by Q3 2023/24.
			Maintain a state of readiness of the Emergency Coordination Centre that is appropriately staffed and equipped to respond to an emergency. Wellington Region Civil Defence Emergency Management Group Plan	<b>A team of CIMS trained GW staff is ready to respond to an activation of the Emergency Coordination Centre</b>	New measure	Achieved	<b>On Track</b>	The ECC has almost completed the training targets for the full financial year. An increase in the amount of training offered and more opportunities for people to engage with the ECC has resulted in higher levels of interest in the ECC and more trained staff.	
Resilient Future	Regional economic development and recovery in a COVID-19 era	Regional economic recovery including low carbon economic transition, Implement the Wellington Regional Growth Framework	Wellington Regional Strategy, Regional Investment Strategy, Regional Growth Framework. Alignment of GW activities and investment with the priorities of the	<b>As the Administering Authority, GW will ensure the Committee has an agreed annual work programme and regular progress reporting</b>	New measure	Achieved	<b>On Track</b>		The work programme for 2023/24 is ongoing. A major focus has been the development of the Future Development Strategy - with a draft now completed or public consultation. Development of the Regional Climate Emissions Reduction Plan and Food System Strategy are ongoing. A Health Check of the WRLC was also undertaken this Quarter.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

REGIONAL STRATEGY AND PARTNERSHIPS									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
			Wellington Regional Leadership Committee						
Connected Communities	Leading regional spatial planning	40% increase in regional mode share for Public Transport and active modes by 2030	Regional transport, planning, leadership, advice, and coordination to guide development and delivery of an integrated, multi-modal regional transport network. Regional Land Transport Plan	<b>Wellington Regional Land Transport Plan is prepared and updated in accordance with the LTMA and central government guidance</b>	New measure	Annual Monitoring report is presented to RTC	On Track		Significant joint engagement by GW and Waka Kotahi across the region to obtain and refine transport programme bids to prepare the transport programme for prioritisation. 19 Sep RTC reconfirmed the strategic framework of the RLTP 2021 and endorsed the proposed weighting changes to 10-year Transport Investment priorities.
Connected Communities, Resilient Future	An efficient, accessible and low carbon public transport network			<b>Coordinate and deliver new workplace travel programmes with major regional employers</b>	New measure	3 programmes	At Risk		Work continues on the Wellington Regional Hospital Travel Action Programme with a RFP for the provision of commute management as a service undertaken. This will enable a trial of carpooling amongst hospital employees. Advice provided to NZ Police on setting up a survey re their employees travel habits and preferences. Ongoing relationship management with MBIE and Meridian.
	Effective partnerships and co-designed agreements with mana whenua	Collaborative decision making with mana whenua partners	Effective decision making achieved through active involvement with mana whenua through strong partnership arrangements	<b>Mana whenua report evidence of strong partnership arrangements and progress towards positive outcomes</b>	New measure	Achieved	On Track / Achieved	Greater Wellington Continues to actively partner across activities that matter to mana whenua	Greater Wellington is undertaking an intern - 2 way skills transfer project, prototyping real-time experience in place with mana whenua. Te Tiriti Audit reports on Mana Whenua acknowledgement of GW in partnering for achieving better outcomes. Opportunities for Mana whenua-rangatiranga are explored through iwi-led initiatives and participation at Te Tiriti Komiti and LTP Committee at a Governance level.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

REGIONAL STRATEGY AND PARTNERSHIPS									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
			Positive outcomes for Māori achieved through effective and resourced planning and engagement	<b>Increased incorporation and use of mātauranga Māori across services delivered by Greater Wellington</b>	New measure	Achieved	On Track	Mātauranga training delivered regularly, Mātauranga framework still under development	Mātauranga training continues to be oversubscribed despite running regular courses, staff report value in the training.
			Mana whenua and Māori are enabled to achieve strong, prosperous and resilient outcomes	<b>Deliver Te Matarau a Māui annual work programme as agreed to by independent Board</b>	New measure	Achieved	At Risk / Partly Achieved	Refinement of Māori Economic Development position.	Māori economic development position currently vacant, the work this quarter has been focused on refining the position and relationship needs of Te Matarau to ensure delivery in 2024.
				<b>Mana whenua and Māori report they are prepared for managing effective responses to civil defence and other emergencies</b>	New measure	Achieved	Not Measured		Reporting on this measure for 2023/24 is done by the Wellington Region Emergency Management Office (WREMO)

WATER SUPPLY									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
Thriving Environment	A clean safe and sustainable future		Provide water that is safe and pleasant to drink	<b>Compliance with part 4 of the drinking water standards (bacteria</b>	100%	Compliant	Off Track / Not Achieved	Non-compliant	Taumata Arowai's new compliance rules took effect in November 2022, and we are no longer able to report against the prior standards. Reporting moving forward is against the

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

WATER SUPPLY									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
	drinking water supply			compliance criteria)					<p>Bacteriological and Protozoal requirements of the Drinking Water Quality Assurance Rules.</p> <p>These new rules introduced by Taumata Arowai require an increase to a value known as a 'Ct' that is determined from the amount of chlorine added to drinking water and the time that it must spend in contact with the water before reaching consumers. The change means the water supplied from the Waterloo Treatment Plant is not compliant for up to 800 Lower Hutt households.</p> <p>This rule means either significantly increasing the concentration of chlorine added at the treatment plant or increasing the time that the chlorine is in contact with the water before it reaches the first customers in Lower Hutt. Increasing the chlorine concentration to this level, which is around two and a half times the current dose, could result in a significant change to the taste of the water or cause skin irritation. Alternatively, significant network upgrades and investment are needed to increase the contact time between chlorine and water.</p> <p>We have applied for an exemption from Taumata Arowai. At the time of writing this report, we have not yet received a response and therefore are reporting that the water in Hutt City is non-compliant.</p>
				Compliance with part 5 of the drinking water standards (protozoal compliance criteria)	100%	Compliant	Off Track / Not Achieved	Non-compliant	See comment above. Commentary on bacterial standards also applies to protozoal standards.
				Customer satisfaction: number of	0	<20 complaints	Not Measured	No result	Commercial meters are read every six months. An updated result will be provided in the Q2 report.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

WATER SUPPLY									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
				complaints regarding water clarity, taste, odour, pressure/flow, and supply		per 1,000 connections			
				Number of waterborne disease outbreaks	0	0	On Track / Achieved	0	No outbreaks occurred this quarter.
Resilient future	Reduce water demand to support a sustainable water supply to avoid unnecessary investment in significant new water supply infrastructure	Support the reduction of the overall bulk water supply to the four metropolitan cities by 25 percent by 2030	Provide a continuous and secure bulk water supply	Average consumption of drinking water per day per resident within the TA districts	369.8 L/d/p	<375 L/d/p	Off track / Not Achieved	408L	Per capita consumption across all councils in the metro area has continued to increase primarily due to leakage, but also in part due to high residential use relative to other cities in NZ. We continue to promote increased investment in water loss activities and network renewals to bring down water loss to more sustainable levels, together with investment in universal smart metering and additional source capacity work in the near future to better manage the increasing supply/demand balance risk.  We are focusing on developing a strategy to respond to a possible acute water shortage this summer.
				Maintenance of the reticulation network: Percentage of real water loss from the networked reticulation system	0.07%	+/- 2.5%	Not Measured		Commercial meters are read every six months. An updated result will be provided in the Q2 report.
				Response times to attend urgent call-outs in response to a fault or unplanned interruption to the network reticulation system	Time to reach site: 0 min Time to confirm resolution: 0 hours	Time to reach site: <90 min Time to confirm resolution: <8 hours	On track / Achieved	N/A – No events	No events occurred this quarter.

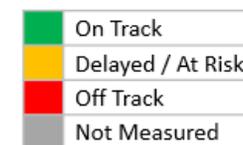
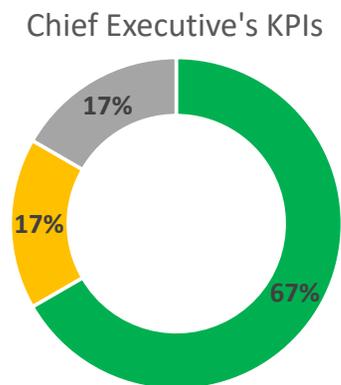
Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

WATER SUPPLY									
Community Outcomes	Strategic Priorities	Key Result Areas	Levels of Service	LTP Performance Measure	Baseline (2019/20)	2022/23 Target	Quarter Status	Quarter Result	Commentary
				Response times to attend non-urgent call-outs in response to a fault or unplanned interruption to the network reticulation system	Time to reach site: 0.9 hours Time to confirm resolution: 1.25 days	Time to reach site: <72 hours  Time to confirm resolution: <20 days	On track / Achieved	N/A – No events	No events occurred this quarter.
				Number of events in the bulk water supply preventing the continuous supply of drinking water to consumers	0	0	On track / Achieved	N/A – No events	No events occurred this quarter.
				Sufficient water is available to meet normal demand except in a drought with a severity of greater than or equal to 1 in 50 years	6.9%	<2%	Off Track / Not Achieved	7.4%	Completion of the Te Mārua capacity upgrade project is required to return the region to within the target level of service for drought resilience. However high per capita demand and growth continue to put pressure on supply capacity, and we have a sustainable water supply program of activities that include a focus on bring down demand. Progressing smart metering is a core part of this work.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

**APPENDIX TWO: Chief Executive Key Performance Indicators – Quarter One**

Results from Quarter One of 2023/24:



Section 1: Strategic Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
Improving outcomes for mana whenua and Māori	Greater Wellington has positioned itself to give effect to Te Tiriti o Waitangi which creates the conditions for rangatiratanga and mana Motuhake.  Mātauranga Māori-led planning, policy	Completion of Inaugural Te Tiriti o Waitangi audit and design of implementation phase.	Inaugural Te Tiriti o Waitangi audit is completed, and Greater Wellington has agreed a three-year plan to recommendations made from the auditor.	On Track / Achieved		The inaugural audit is complete. A draft report of findings and recommendations is being written.
		Evidence of high-quality partnership and engagement with mana whenua.	Opportunities for contracting/delegating environmental functions direct to mana whenua are identified and actioned – where appropriate / applicable.	On Track / Achieved		Kaupapa funding delivered to mana whenua partners as per agreements developed in 2022/23, and iwi are utilising the funding to expand capacity and undertaking work across their respective rohe

## Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 1: Strategic Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
	and decision making.	Evidence of high-quality implementation of Te Matarau a Māui.	Key 2023/24 deliverables for Te Matarau a Māui are delivered.	At Risk / Partly Achieved		Māori Economic development position still vacant, progress has been through procurement.
		Review the Tūāpapa and Kaupapa funding to ensure these are future proofed.  Mana whenua report on the value and benefits of the funding.	Monitoring and reporting framework for funding arrangements is agreed to and underway.  Survey of mana whenua provides feedback on value and effectiveness of funding arrangements	On Track / Achieved		Development of a monitoring and reporting framework is underway, and will be a key deliverable as part of the Te Hunga Whiriwhiri work programme for 2023/24.
Responding to the climate emergency	Demonstrating leadership in regional climate action and advocacy and ensuring that Greater Wellington's operations are carbon neutral by 2030.	Greater Wellington supports the development of regional strategies for climate action through the Wellington Regional Growth Framework.	With regional partners, complete the regional climate change risk and impact assessment and a regional emissions reduction strategy	At Risk / Partly Achieved	The regional climate change risk and impact assessment (WRCCIA) has not been completed on schedule to an acceptable standard.	Officers are working with the supplier to get a satisfactory outcome on the WRCCIA. The work to produce a regional emissions reduction strategy continues schedule.
		Ensuring that Greater Wellington's operations are carbon neutral by 2030 and climate positive by 2035.	Gross emissions from Greater Wellington's operations are trending downwards (from the 2018/19 baseline).	Not Measured	Measured annually and reported in Q4	Preliminary results for the 2022/23 financial year show a 22% reduction compared to the base year 2018/19, and a 12% reduction compared to 2021/22. This result will be verified by Q3 2023/24.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 1: Strategic Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
		Greater Wellington's preparedness to respond to an emergency and identify learnings from recent events such as the Auckland floods and Cyclone Gabrielle	Establish an operational alternate Emergency Coordination Centre (ECC) in the Cuba Street Office to provide for coordination of low impact/high frequency events (including an increase in extreme weather event activations).	On Track / Achieved	On track	The Business Resilience team has been working with ICT and Facilities to ensure the Cuba Street Office has the right technology and facilities to accommodate an Emergency Coordination Centre.
	Metlink is consistently providing high quality and reliable public transport services to its customers across the region	Restore and maintain delivery of public transport services across the bus and rail network	Delivery of full timetable/ equivalent level of service, meeting contracted KPI levels.	On Track / Achieved		<p>We are progressing well on this target. As at 30 September Kinetic, Mana and Uzabus have a full complement of drivers; Tranzurban, is approximately 30 bus drivers short of the establishment required to reinstate its full bus network service levels.</p> <p>In August 2023, Kinetic met the requirements to reinstate services. On 8 October 2023, all of the 67 Kinetic trips temporarily suspended from October 2022 will be reinstated.</p> <p>Metlink is working towards Term 1 2024 (Q3) to reinstate the remaining 113 suspended Tranzurban trips (one trip has previously been reinstated).</p>
<b>Aligning with Government direction.</b>	Greater Wellington is actively responding to the Government's reform programme.	Alignment with National Policy Statement – Freshwater Management (NPS-FM) through the development and implementation of the Whaitua Implementation Plans (WIPs).	<p>Council establishes the Wairarapa Coast Whaitua Committee and receives the WIP from the Kāpiti process.</p> <p>Continue implementation programme for the Ruamāhanga, Te Whanganui-a-Tara and Te Awarua o Porirua WIPs, with demonstrable progress is made against an agreed delivery programme.</p>	On Track / Achieved		<p>Limited consultation on Plan Change 1 draft was completed. Workshops and councillor working group meetings leading up to public notification of Plan Change 1 on 26th October on track. Plan change will implement most of the regulatory provisions of Te Awarua-o-Porirua and Te Whanganui-a-Tara whaitua processes.</p> <p>Work is underway to map out feasibility of NPS-FM deadline of December 2024.</p> <p>Whaitua implementation programme update reports improved with a new six-monthly cycle format highlighting achievements and outstanding actions. Te Whanganui-a-Tara Whaitua reference group has been formed. Additional effort is going into coordinating with PCC and WWL, with other agencies to be picked up in coming months.</p>

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 1: Strategic Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
						Kāpiti Whaitua Committee continues to meet with an intensive work programme aiming to meet a December 2023 deadline for the WIP. Input to a draft section 32 report has also begun. Wairarapa Coast Whaitua Committee not yet established; instead adopting an initial catchment planning approach while GW capacity constraints resolved.
		<p>Greater Wellington has a coordinated response to the Government's reform programme and is well prepared for reform implementation phases, including:</p> <ul style="list-style-type: none"> <li>• The transition to handover of our water assets and management to the new water entity</li> <li>• Regional leadership of the transition to the new Natural and Built Environment Act and Spatial Planning Act</li> <li>• Response to the Local Government Review Panel.</li> </ul>	Council is well informed (through reports and workshops) on progress of the reform programmes and Greater Wellington's response.	<b>On Track / Achieved</b>	On track	Due to the upcoming elections, the reform space was quiet in Quarter One. Councillors have been briefed on the key uncertainties throughout the process of developing the 2024-34 Long Term Plan.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 2: Organisational Priorities							
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary	
<b>People and Leadership</b>  Develop a culturally capable, high performing, engaged, and resilient workforce.	<i>Leadership:</i> Leaders help their people deliver high-quality work in a supportive and creative Greater Wellington culture.	Demonstrated leadership as the CE internally and externally, including: <ul style="list-style-type: none"> <li>observed behaviours and visibility within the organisation</li> <li>sector leadership across the Greater Wellington rohe</li> <li>regional council/Te Uru Kahika sector leadership</li> <li>responsiveness and accessibility to Councillors.</li> </ul>	As assessed by the Chair and the Chief Executive Employment Review Committee.	<b>Not Measured</b>		Measured six monthly through the CE review.	
	<i>Change Management:</i> Change processes are clear on the outcomes sought, well-managed, with changes to business processes, culture, and behaviour change being considered as well as any necessary structural change.	The new Environment Group and Te Hunga Whiriwhiri work programme is integrated and outcomes focussed.	Integrated business plan produced		<b>On Track / Achieved</b>		Kahui Taiao (relational space) working well and developing a shared understanding and approach  The Environment Group has taken an integrated approach to the LTP process and the future LTP for the group is integrated across the four new functions. The future LTP is also aligned to the LTP Community outcomes and those of Ropu Taiao's Intergenerational Strategy.  We are now scoping how the Integrated business plan builds on this LTP integration and ensures a priorities driven approach to planning in the EG.  Through the design and implementation of the IBP we will deepened the integration between the Environment Group and Te Hunga Whiriwhiri.
		The organisation understands the four focus areas of Te Whāriki and shows increased growth in reporting on our implementation against Te Whāriki	Dashboard established with key metrics to track progress.		<b>On Track / Achieved</b>		Development of a reporting dashboard is in progress,

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 2: Organisational Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
	<i>Health, Safety and Wellbeing:</i> Everyone, Everyday - Home, Safe and Well   Ngā tangata katoa, mo nga rā katoa, ka hoki ora ai ki te kainga	Chief Executive-driven Health, Safety and Wellbeing (HSW) culture. Greater Wellington and Chief Executive HSW due diligence obligations demonstrated.	ELT undertakes, documents and reports to Council on at least two visits to field locations to review HSW processes and risks.	<b>On Track / Achieved</b>	Not measured.	No field visit scheduled in Q1. There will be a focus on Metlink the next quarter, and a visit to the Transdev workshops has been planned.
	<i>Diversity and Inclusion:</i> Our workforce represents the communities we work for, resulting in greater diversity of thought and improved outcomes for Greater Wellington.	Greater Wellington increasingly reflects the region's gender, bicultural, ethnic, and cultural diversity make-up.	Ethnicity data baseline established  Increase women leaders from current baseline of 41%	<b>At Risk / Partly Achieved</b>	As at 30 September 2023 females make up 38% of people leader positions at GW.	A communications campaign has begun to increase the proportion of staff who have identified their ethnicity in Ngātahi.
	<i>Staff Engagement:</i> Our people feel valued and engaged in Greater Wellington's purpose, resulting in a productive organisation.	Gallup overall employee engagement index.	Improve the 2022/23 result of 4.16.	<b>Not Measured</b>	Not measured.	The annual engagement survey will take place in May 2024.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

Section 2: Organisational Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
	<i>Cultural Capability:</i> Robust implementation plan developed against He Iti Kahurangi (Māori Capability Framework) and Mātauranga Māori Framework	Cultural capability programme in place that is inclusive of: <ul style="list-style-type: none"> <li>Te Reo Māori</li> <li>Mātauranga Māori</li> <li>Te Tiriti o Waitangi</li> <li>Sites of significance (led by mana whenua).</li> </ul> Survey of staff attending training completed annually.	Achievement of training targets.  35% of staff have participated in cultural training <sup>1</sup> .	On Track / Achieved		Training continues to be well attended, and staff comment on the value they gained from courses.
<b>Organisational Excellence</b>  Create and implement systems and processes to support continuous business improvement.	Greater Wellington fulfils its obligations fully to deliver value for money to its communities.	Proportion of 2021-31 Long Term Plan non-financial performance measures that are 'Achieved'.	80% of all LTP Non-financial performance measures are achieved by 30 June 2024.	Not Measured		Measured at year end. Indicative progress is in line with previous years, noting that a significant portion of LTP measures are assessed at the end of the financial year through methods such as the Metlink customer satisfaction survey.
		Percentage of major projects with an overall "green" rating (on track in terms of schedule, budget, managing risks and issues, health and safety, stakeholders, and resources).	70% of all PMO-monitored 'Major' Projects have an 'On Track' (green) rating.	At Risk / Partly Achieved		The number of major projects has dropped from 16 to 14 and the percentage of major projects on track has dropped from 75% in Q4 2023 to 57% in Q1 2023. Let's Get Wellington Moving and the Te Marua Capacity upgrade project have moved into red due to political and financial issues.
		Greater Wellington recognises the value of its data through the implementation of the organisational <i>Technology and Data Strategy</i> .	2023/24 objectives are achieved in line with the Technology and Data Strategy; emphasising treating our data consistently across the organisation, risk reduction, partnership, and oversight.	On Track / Achieved		The release of the Combined Data Strategy has given GWRC a whole of organisation agreement on the treatment and kaitianga of the data we collect and use.

<sup>1</sup> In line with our Te Reo Policy, cultural training is completed by staff in at least one of the following areas: Te Reo Māori; Mātauranga Māori; Te Tiriti o Waitangi; and Sites of significance (led by mana whenua)

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

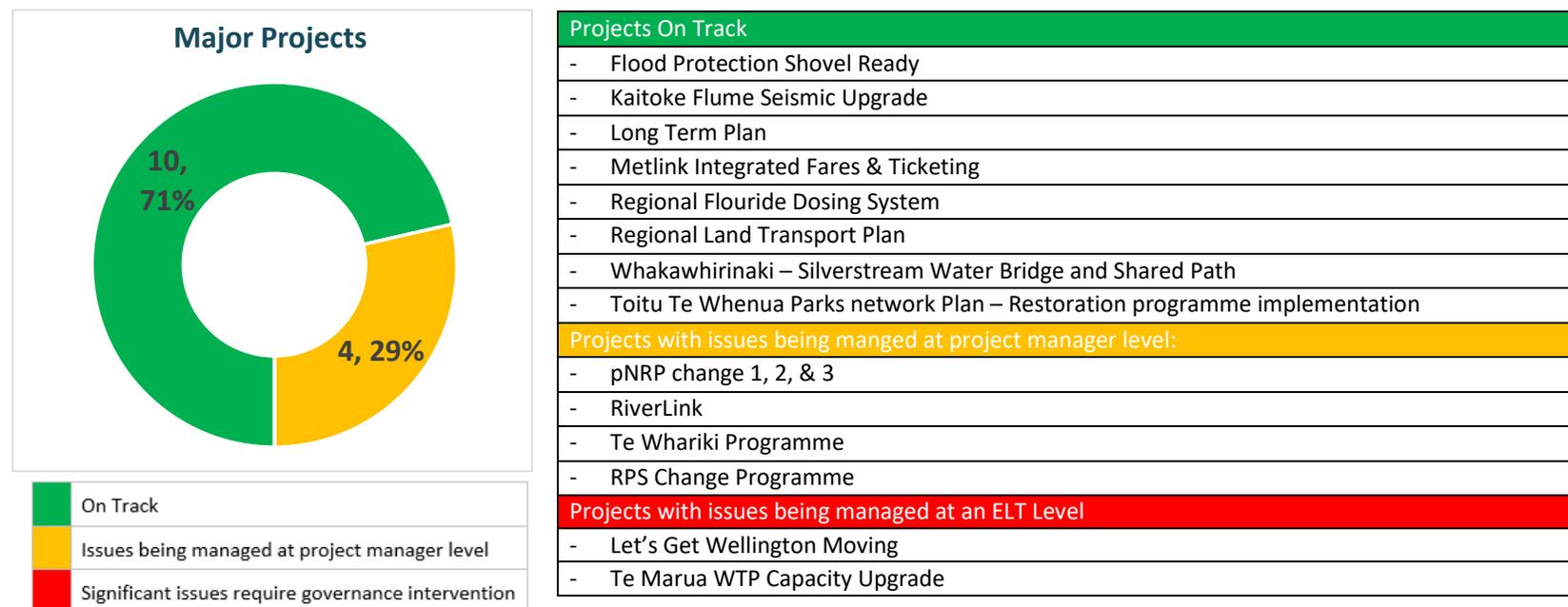
Section 2: Organisational Priorities						
Priority	Outcome	Measure	2023/24 Target	Quarter status	Quarter result	Commentary
		Response to our <i>Uncertainty and Risk Framework</i> prioritising activities that maintain our social license to operate	Identified significant uncertainty/risks are addressed through ELT and prioritised for action to reduce risk.	On Track / Achieved		The Council have gone through the modern risk framework and have agreed on the ratings and risk tolerance through workshops and discussion.  The Executive Leadership Team are regularly receiving updates through the Risk Dashboard.
		Compliance with Greater Wellington's statutory responsibilities and Council policies	Annual Legal Compliance Survey completed, and results reported to FRAC in a timely manner.	On Track / Achieved		ComplyWith survey has been completed, and will be reported to the Finance, Risk, and Assurance Committee in November 2023.
		Reporting on the financial performance of Council and major projects	Quarterly financial reports to Council on overall financial performance.  Quarterly reporting to Council on the financial performance of major projects	On Track / Achieved		Reporting is on track thus far. The draft financials and commentary on results for the end of the 2022/23 financial year were delivered to the Finance, Risk, and Assurance Committee, and to Council.
<b>Reputation</b>  Enhance the reputation and relevance of Greater Wellington in the region.	Our communities trust Greater Wellington to focus on the right issues and deliver value for money.	Reputation Index – Community perception of trust, leadership, fairness, and social responsibility as measured by the Colmar Brunton brand tracker.	Maintain or improve the overall reputation score from the 2021/22 results of: <ul style="list-style-type: none"> <li>GWRC: 89</li> <li>Metlink: 82</li> </ul>	Not Measured	Results measured annually only.	The customer survey will take place again early/mid 2024. In the meantime, we're continuing to provide the organisation with marketing & comms support. A Customer Engagement Strategy is in development, and we're developing comms strategies for each business group.
		Regular one-on-one meetings with CEs of selected territorial authorities and iwi in the region to build trust and explore partnership opportunities <sup>2</sup> .	Regular meetings are scheduled, held and reported on.	Note Measured		Measured every six months through the CE's review.

<sup>2</sup> Greater Wellington's relationship with key local government partners is an important component of overall reputation and influences the perception of Greater Wellington's leadership role in the region

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

**APPENDIX THREE: Major Projects – Quarter One**

Summary as at 30 September 2022 / Quarter One:

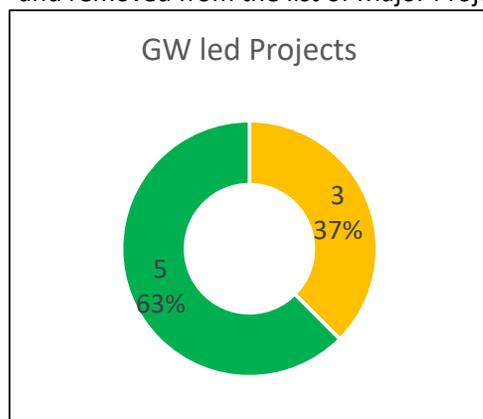


The number of major projects has dropped from 16 to 14 and the percentage of major projects on track has dropped from 75% in Q4 2023 to 57% in Q1 2023. Let's Get Wellington Moving and the Te Marua Capacity upgrade project have moved into red. The Lower North Island Rail Integrated Mobility project (LNIRIM) will start providing detailed project reporting from October 2023 and will be included in the Q2 Report.

Greater Wellington Regional Council's Summary of Quarter One Performance 2023/24

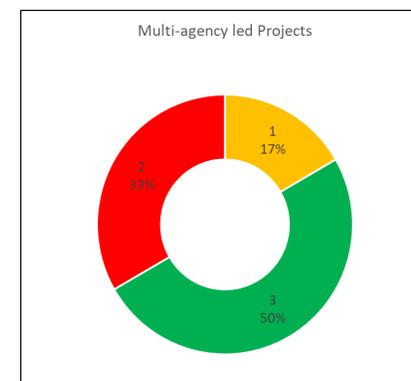
**Greater Wellington led projects**

- Q1 2024 has seen the first drop in projects on-track since Q2 2023. This is largely due to increases in building materials and costs as well as increased demand for scarce resources.
- Both the RPS Change Programme and NRP Plan Change 1 & 2 moved from Green to Amber. This is as a result of overspend across all Policy projects due to consultant/legal fees to implement the Whaitua programme and to also meet national direction. This expenditure is demand-driven and notoriously difficult to scope.
- Toitū Te Whenua Parks Network Plan - Restoration Programme implementation has moved up to Green from Amber.
- pNRP Plan Change 1,2 & 3 has been reconfigured to 2 x Plan Changes and renamed to NRP Plan Change 1 & 2 to reflect this change.
- The New Environment Group Programme and the Whaitua Operational Implementation Programme have been closed and removed from the list of Major Projects.



**Multi-agency led projects**

- The number of Multi-agency projects has remained steady at 6 projects; however the number of on-track projects has dropped by one which is the Te Marua WTP Capacity Upgrade. More detail on that below.
- The three on-track projects are:
  - Kaitoke Flume Seismic Upgrade.
  - Regional Fluoride Dosing System.
  - Whakawhirinaki - Silverstream Water Bridge and Shared Path.
- The two Red projects are:
  - Te Marua WTP Capacity Upgrade.
  - LGWM.
- The Te Marua WTP Capacity Upgrade has been negatively impacted by slope stability risk to the entire treatment plant during seismic events. Although the consenting challenges have been resolved, the project team are confirming legal advice and peer review concerns. A revised cost estimate was prepared, and a brief provided to GW. The required budget is forecast to be \$88.3M.
- Lets Get Wellington Moving - LGWM continues to be a focus of both political and media attention following the recent transport policy announcements. Combined with the results of the general election, this attention may have an impact on the programme deliverables, funding, and delivery structure.



**Council**  
**7 December 2023**  
**Report 23.644**



**For Information**

## **FINANCE UPDATE – OCTOBER 2023**

### **Te take mō te pūrongo**

#### **Purpose**

1. To provide Council with Greater Wellington Regional Council's (Greater Wellington's) summary financial reports for the month ended 31 October 2023.

### **Te tāhū kōrero**

#### **Background**

2. This report provides a summary of the financial performance of Greater Wellington's activities for the month ended 31 October 2023 - [Attachment 1](#) refers. The amounts stated in this report and the attachment are GST Exclusive.
3. The result to October 2023 is a \$17.7m operating deficit. Greater Wellington had budgeted for an operating deficit of \$6.9m. This unfavourable variance to budget of \$10.8m is explained in the Analysis section of this report.

### **Te tātaritanga**

#### **Analysis**

#### **Key results**

##### Revenue

4. Other revenue is \$18.1m lower; there were two main drivers for this:
  - providing half-price fares for public transport through July and August (Estimated to be \$7.1m) without Waka Kotahi subsidy. Discussions are ongoing with Waka Kotahi to obtain additional support.
  - change in travel behaviour since the patronage level assumptions were set pre-Covid, \$10.1m.
5. Grants and subsidies revenue is \$3.0m lower than budgeted due to slow start with capital and operational projects within Metlink. In counterbalance, the grants and subsidies expenditure is also underspent by \$2.1m mainly driven by deferrals of the EV bus programme.

##### Expenses

6. Consultants, contractors, and suppliers is underspent by \$10.6m due to timing and deferrals in multiple OPEX projects across Metlink, Environment and Strategy (LGWM).

7. Finance costs are up by \$2.7m due to increased interest rates. This is partially offset by additional investment revenue of \$1.5m leaving a net negative impact of \$1.2m in total.

Capital Expenditure (CAPEX)

8. CAPEX is 33% behind budget mostly due to Riverlink work being heavily scheduled for the second half of the financial year and National Ticketing Solution Transition is still being finalised. We will re-assess the progress during the November forecast.

**Ngā hua ahumoni**

**Financial implications**

9. The report has no financial implications.

**Ngā āpitihanga**

**Attachment**

Number	Title
1	Councillor Financial Report – 31 October 2023

**Ngā kaiwaitohu**

**Signatories**

Writers	Sean Nicholson – Te Whakamahere me te Kaute Pūrongo   Planning & Reporting Accountant Darryl Joyce – Kaiwhakahaere Matua   Manager Accounting Services
Approver	Ali Trustrum-Rainey – Kaiwhakahaere Matua, Pūtea me ngā Tūraru   Group Manager Finance and Risk

<b>He whakarāpopoto i ngā huritaonga Summary of considerations</b>
<b><i>Fit with Council's roles or with Committee's terms of reference</i></b> The Council has governance oversight of the robustness of the organisation's financial performance.
<b><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></b> The report reviews performance against the financial statements in Council's 23/24 Annual Plan.
<b><i>Implications for Māori</i></b> Improving outcomes for mana whenua and Māori is one of the overarching strategic priorities in the Greater Wellington's 2021-31 Long Term Plan, and therefore reported against in Annual reports and outcomes are included in our budgeting and financial results.
<b><i>Risks and impacts - legal / health and safety etc.</i></b> There are no risks arising from this report.

## Monthly Financial Update

### CFO Overview

As of four months into the financial year the council continues to grapple with persistent external economic challenges and the corresponding financial strains encountered during the previous financial period of 2022/23. While higher financing and inflationary cost was built into the 2023/24 Annual Plan Budget using the best available data at the time, there has been some additional increases in these adjustors. Latest economic forecasting data coming in is hinting that this upwards pressure may soften quicker than was forecasted 3 months ago. We will continue to watch and report on this.

The clean sheet capital budgeting exercise was undertaken for this financial year. We are therefore hoping for a reduction in the variance between actual and budget that have been the pattern for CAPEX in prior years. RiverLink is driving the current underspend, with work heavily scheduled for the second half of the year. The first reforecasting of the current budget will be included in the December Council Financial report. This forecast will indicate where the business expects to land with the major capital projects by the end of June 2024.

Providing half-price fares for public transport through July and August without Waka Kotahi support has reduced farebox by (\$7.1m). Discussions are ongoing with Waka Kotahi to obtain additional support. The balance of the reduced fare box is contributed to a change in travel behaviours since the patronage level assumptions were set pre-Covid (\$10.1m).

A sluggish start in some operational projects has offset the decline in revenue. Significant contributors to underspending include the Let's Get Wellington Moving initiative and the deferrals in the Metlink EV bus programme.

### Other Items of Interest

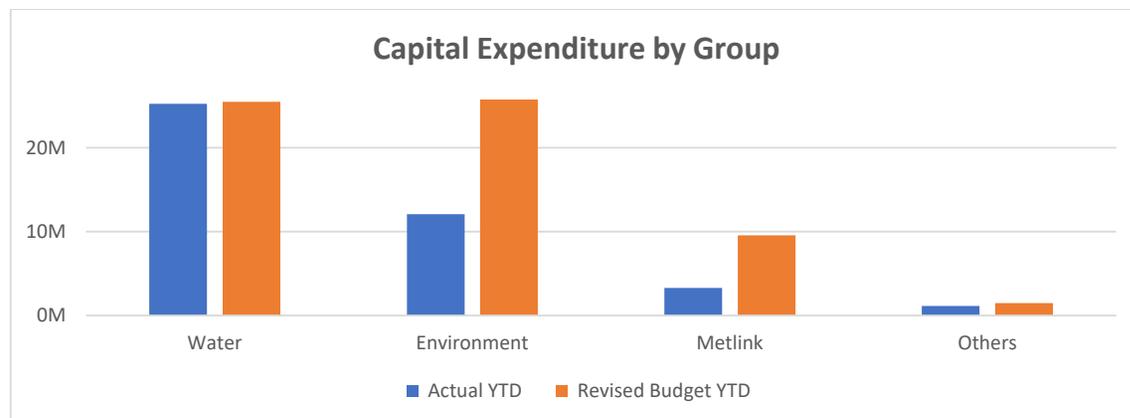
- Council currently has external debt of \$898m up from a starting balance of \$775m on 1 July 2023. This includes \$96m of prefunding.
- Council currently holds investments (excluding subsidiaries) of \$299m up from a starting balance of \$247m on 1 July 2023. This includes water investments of \$50m, and prefunding of \$96m.

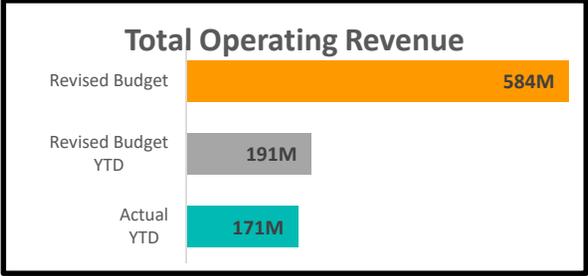
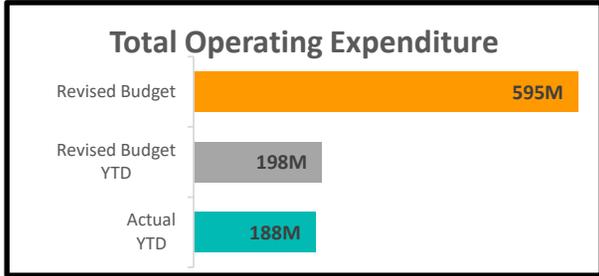
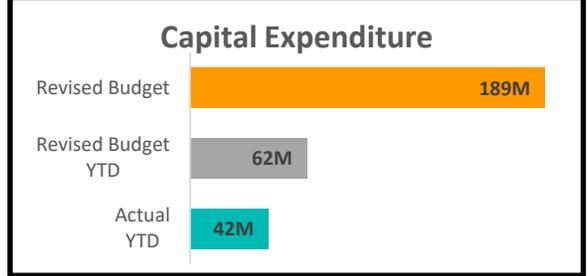
## Summarised Profit and Loss as at 31 October 2023

This statement provides year to date financials for the four months of financial year 2023-24 with comparisons to the budget set in the 2023-24 Annual Plan.

### Summarised Profit and Loss as at October 2023

	Year to date			Full Year Revised Budget \$000s
	Actual \$000s	Revised Budget \$000s	Variance \$000s	
<b>Operating Revenue</b>				
Rates and Levies	88,168	87,874	294	263,622
Grants and Subsidies	50,290	53,292	(3,002)	158,368
Other Revenue	32,243	50,332	(18,089)	162,189
<b>Total Operating Revenue</b>	<b>170,701</b>	<b>191,497</b>	<b>(20,796)</b>	<b>584,179</b>
<b>Operating Expenditure</b>				
Personnel	27,564	27,585	(21)	83,878
Grants and Subsidies	81,390	83,511	(2,120)	252,152
Consultants, Contractors and Suppliers	52,536	63,113	(10,577)	183,769
Finance Costs	15,735	13,064	2,670	42,252
Depreciation	11,137	11,129	8	33,181
<b>Total Operating Expenditure</b>	<b>188,362</b>	<b>198,402</b>	<b>(10,040)</b>	<b>595,232</b>
<b>Operating Surplus/(Deficit) before other items</b>	<b>(17,660)</b>	<b>(6,905)</b>	<b>(10,756)</b>	<b>(11,053)</b>
Fair Value Movements	-	-	-	-
<b>Operating Surplus/(Deficit)</b>	<b>(17,660)</b>	<b>(6,905)</b>	<b>(10,756)</b>	<b>(11,053)</b>
<b>Capital Expenditure</b>	<b>41,739</b>	<b>62,257</b>	<b>(20,517)</b>	<b>188,993</b>



Key Variance Commentary																				
<p style="text-align: center;"><b>Total Operating Revenue</b></p>  <table border="1"> <tr> <td>Revised Budget</td> <td>584M</td> </tr> <tr> <td>Revised Budget YTD</td> <td>191M</td> </tr> <tr> <td>Actual YTD</td> <td>171M</td> </tr> </table>	Revised Budget	584M	Revised Budget YTD	191M	Actual YTD	171M	<p style="text-align: center;"><b>Total Operating Expenditure</b></p>  <table border="1"> <tr> <td>Revised Budget</td> <td>595M</td> </tr> <tr> <td>Revised Budget YTD</td> <td>198M</td> </tr> <tr> <td>Actual YTD</td> <td>188M</td> </tr> </table>	Revised Budget	595M	Revised Budget YTD	198M	Actual YTD	188M	<p style="text-align: center;"><b>Capital Expenditure</b></p>  <table border="1"> <tr> <td>Revised Budget</td> <td>189M</td> </tr> <tr> <td>Revised Budget YTD</td> <td>62M</td> </tr> <tr> <td>Actual YTD</td> <td>42M</td> </tr> </table>	Revised Budget	189M	Revised Budget YTD	62M	Actual YTD	42M
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<p><b>Metlink PT –</b></p> <p>Providing half-price fares for public transport through July and August without Waka Kotahi support has reduced farebox (<b>estimated \$7.1m</b>).</p> <p>The balance of the reduced fare box is contributed to a change in travel behaviours since the patronage level assumptions were set pre-Covid. (<b>\$10.1m</b>)</p> <p>A slow start with capital and operational projects within Metlink. (<b>\$3.6m</b>)</p>	<p><b>Metlink PT –</b></p> <p>Underspent due to deferrals of the EV bus programme, bus fleet and regional shelter projects. <b>\$7.1m</b></p> <p><b>Environment –</b></p> <p>Timing of Pinehaven, river maintenance, and numerous monitoring programmes. <b>\$1.9m</b></p> <p><b>Strategy –</b></p> <p>Contractor &amp; Consultants is underspent driven by Let’s Get Wellington Moving. <b>\$4.2m</b></p>	<p><b>Metlink PT –</b></p> <p>National Ticketing Solution Transition is still being finalised. There is possibility of this project to be classified as operating instead of capital (<b>\$2.7m</b>)</p> <p><b>Environment –</b></p> <p>RiverLink implementation is behind budget due to work is heavily scheduled for the second half of the financial year. This will be re-assessed in November forecast (<b>\$13.2m</b>)</p>																		

**Council**  
**7 December 2023**  
**Report 23.654**



**For Decision**

## **RESOLUTION TO EXCLUDE THE PUBLIC**

That the Council excludes the public from the following parts of the proceedings of this meeting, namely:

Land transfer – Porirua – Report PE23.651

Appointment to the Waiohine River Plan Advisory Committee – Report PE23.561

Appointment of director to the Wellington Regional Economic Development Agency – Report PE23.637

Lower North Island Rail Integrated Mobility: proposed Procurement Strategy and Rolling Stock Procurement Plan – Report RPE23.604

Lower North Island Rail Integrated Mobility: operator options – Report RPE23.603

Bus Contract Procurement: timing – Report RPE23.626

The general subject of each matter to be considered while the public is excluded, the reasons for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 (the Act) for the passing of this resolution are as follows:

<b>Land transfer – Porirua – Report PE23.651</b>	
<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<p>Certain information contained in this report relates to a proposed transfer of Greater Wellington Regional Council owned land to Porirua City Council on terms that have not finally been agreed. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington to carry on negotiations for the land transfer.</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act in order to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

<p>the meeting that would override the need to withhold the information.</p>	
<p><b>Appointment to the Waiohine River Plan Advisory Committee – Report PE23.561</b></p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>Information contained in this report includes personal and identifying information about proposed candidates for appointment to the Waiōhine River Plan Advisory Committee. Release of this information prior to Council’s decision is likely to prejudice the privacy of natural persons (section 7(2)(a) of the Act as releasing this information would disclose their consideration for appointment as members of Waiōhine River Plan Advisory Committee.</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(a) of the Act in order to protect the privacy of natural persons, including that of deceased natural persons.</p>
<p><b>Appointment of director to the Wellington Regional Economic Development Agency – Report PE23.637</b></p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>The information contained in this report includes personal and identifying information about the proposed candidate for appointment. Withholding this information prior to Council’s decision is necessary to protect the privacy of that natural person (section 7(2)(a) of the Act) as releasing this information would disclose their consideration as a Director of the Wellington Regional Economic Development Agency (WellingtonNZ).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(a) of the Act in order to protect the privacy of natural persons, including that of deceased natural persons.</p>

<p>the meeting that would override the need to withhold the information.</p>	
<p><b>Lower North Island Rail Integrated Mobility: proposed Procurement Strategy and Rolling Stock Procurement Plan – Report RPE23.604</b></p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>Certain information contained in this report relates to the future rail service procurement and contracting in the Wellington Region. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington Regional Council (Greater Wellington) to carry out, without prejudice or disadvantage commercial activities (section 7(2)(h) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(h) of the Act in order to enable Greater Wellington to carry out, without prejudice or disadvantage, commercial activities.</p>
<p><b>Lower North Island Rail Integrated Mobility: operator options – Report RPE23.603</b></p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>Certain information contained in this report relates to future rail service procurement and contracting in the Wellington Region. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington Regional Council (Greater Wellington) to carry on negotiations with a potential operator/s for the Metlink public transport network (section 7(2)(i) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(i) of the Act in order to enable Greater Wellington to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>

<p>the meeting that would override the need to withhold the information.</p>	
<p><b>Contract tranching options – Report RPE23.626</b></p>	
<p><i>Reason for passing this resolution in relation to each matter</i></p>	<p><i>Ground(s) under section 48(1) for the passing of this resolution</i></p>
<p>Certain information contained in this report relates to future bus procurement and contracting in the Wellington Region. Excluding the public from the proceedings of the meeting is necessary as considering this information in public would be likely to prejudice or disadvantage the ability of Greater Wellington Regional Council (Greater Wellington) to carry out, without prejudice or disadvantage commercial activities (section 7(2)(h) of the Act).</p> <p>Greater Wellington has not been able to identify a public interest favouring disclosure of this particular information in public proceedings of the meeting that would override the need to withhold the information.</p>	<p>The public conduct of this part of the meeting is excluded as per section 7(2)(h) of the Act in order to enable Greater Wellington to carry out, without prejudice or disadvantage, commercial activities.</p>

This resolution is made in reliance on section 48(1)(a) of the Act and the particular interest or interests protected by section 6 or section 7 of that Act or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public.