



## Report on groups of activities

<b>Environment</b>	<b>93</b>
<b>Transport</b>	<b>109</b>
<b>Water supply</b>	<b>119</b>
<b>Parks</b>	<b>127</b>
<b>Land</b>	<b>133</b>
<b>Safety and flood protection</b>	<b>139</b>
<b>Community</b>	<b>149</b>
<b>Investments</b>	<b>157</b>
<b>Statement of compliance and responsibility</b>	<b>168</b>
<b>Audit report</b>	<b>170</b>

For each activity the actual achievement is compared to the planned performance indicators as set out in the 2006/07 Annual Plan.

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

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



Greater Wellington’s Environment management group of activities contributes to the following community outcomes – *healthy environment*, *sense of place* and *healthy community*. The specific activities obviously enhance the region’s environmental well being but they also benefit, to varying degrees, the community’s social, economic and cultural wellbeing.

We develop and implement resource management policies and plans, manage resource consents and respond to pollution incidents. This year we began a review of the Regional Policy Statement (RPS), processed more than 600 resource consents and responded to 1,107 pollution incidents. We also focus on researching key environmental issues, and measuring the quality and quantity of our natural resource, such as river flows and air quality. This year we produced our annual report cards on the state of the region’s key resources and carried out a number of specific investigations, such as a survey of the Wairarapa coast. We also run three environment education programmes – Take Care, Take Action and Take Charge – which involve the community, schools and businesses respectively. This year we worked with 31 care groups, more than 2,000 school children and a number of businesses on environmental projects.

In addition, we manage the region’s harbours for navigational safety and manage environmental incidents in the harbours, such as oil spills. We have also prepared a draft Safety Management System for Wellington Harbour to help us and CentrePort Ltd to manage it effectively, contributing to the economic, social, environmental and wellbeing of the community.

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Healthy environment

Develop and implement the RPS and regional plans.

### Sense of place

Process and monitor resource consents.

Investigate and clean-up pollution incidents.

### Healthy community

Research key environmental issues and threats.

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

Report to the public on the state of the environment.

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



## Environment Targets

### Activity: Manage resources

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

60 wetlands on private land will be legally protected.

104 landowners have joined the Wetland Incentives Programme since the programme started. Subsidised fencing and weed control remain the most popular ways to use the incentives offered. Currently, there are 32 wetlands on private land legally protected. In 2006/07 one was approved for covenant with Greater Wellington's financial support.

400 native forest areas on private land will be protected.

190 native forest areas are currently legally protected, including 11 areas approved for covenants with Greater Wellington's financial support in 2006/07.

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

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

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

Ongoing recreational water-quality monitoring continues and is reported on Greater Wellington's website during the bathing season, and by way of an annual report which is presented to the Environment Committee and widely circulated.



## Activity: Manage resources (continued)

### Targets

#### LONG-TERM targets by 30 June 2016 (continued)

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

### Actual

For the year ended 30 June 2007, the alert level for fine particulate matter (PM10) was reached in the following locations:

- Lower Hutt – once
- Upper Hutt – once
- Wainuiomata – twice
- Wairarapa – 14 times

The National Environmental Standard of 50 µg/m<sup>3</sup> was exceeded once in the Wainuiomata air shed and twice in the Wairarapa air shed. In the Wairarapa, that second event was publicly notified as required under the standard.

#### SHORT-TERM targets by 30 June 2007

A draft Regional Policy Statement (RPS) will be released for public comment in February 2007, within a budget of \$210,000.

The review of the RPS is a major project. Councillor workshops were held throughout April and May to clarify provisions, and there was extensive consultation with city and district councils, and the community. However, in response to requests for further consultation from stakeholders, particularly city and district councils, we did not release a draft RPS in February 2007 as planned.

Actual costs were \$393,000.



## Environment Targets

### Activity: Manage resources (continued)

#### Targets

##### **SHORT-TERM targets by 30 June 2007 (continued)**

The following programmes and plans will be implemented, and a progress report will be approved by the Council, within a budget of \$667,000:

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

#### Actual

##### **Wetland Action Plan**

Newly found wetlands are being added to the wetland inventory as they are discovered.

A review of the Wetland Action Plan has commenced. All landowners that have been part of the Wetland Incentives Programme have been surveyed and a review of the active management of wetlands on Greater Wellington-managed land was completed.

##### **QEII National Trust private land protection programme**

Commitments made during the year amounted to \$68,000 for covenant projects which, when finalised, will protect 189.62 hectares of predominantly lowland forest.

##### **Freshwater Ecosystems Programme**

Two native fish passes were completed in the Kaiwharawhara Stream catchment. We are now working with care groups on fish passes in Owhiro Stream and Hull's Creek.

##### **Kaiwharawhara Stream Plan**

Work with care groups and the Wellington City Council in the Kaiwharawhara catchment continued. The success of the Kaiwharawhara catchment is being examined to see how to usefully apply the lessons learned to similar streams in the region.



## Activity: Manage resources (continued)

### Targets

**SHORT-TERM targets by 30 June 2007 (continued)**

An air-quality monitoring station will be set up within a budget of \$120,000.

A stormwater action plan will be finalised and implementation will begin in association with our city and district councils, within a budget of \$85,000.

### Actual

#### Waiwhetu Stream Action Plan

Discussions between the Minister for the Environment and Greater Wellington continue regarding the level of central government contribution towards the estimated \$6 million cost of cleaning up the contaminated sediments from the lower reaches of the stream.

#### Pauatahanui Inlet Action Plan

A “vegetation frameworks” project being carried out with private landowners has progressed well. Whole-farm planning exercises are underway with three major landowners, with the aim of improving stream quality by reducing soil erosion and establishing planted riparian buffers. A grant of \$60,000 from the national Biodiversity Condition Fund was secured for catchment enhancement works on one of the larger properties. In addition, a number of landowners with smaller properties have also joined the project.

#### Coastal and marine ecosystem programme

Greater Wellington received submissions on the draft Coastal and Marine Action Plan and a final plan will be completed in the 2007/08 financial year. We also completed a survey on the ecological health of the Wairarapa coast.

Actual costs were \$440,000.

An air-quality monitoring station was installed in the Karori air shed and commenced operating in late June. Actual costs were \$122,000.

A draft stormwater action plan was prepared, in conjunction with the city and district councils. Actual costs were \$43,000.



## Environment Targets

### Activity: Manage resources (continued)

Levels of service:

#### 2 Process and monitor resource consents

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

We continue to process consents within statutory timeframes.

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

Compliance schedules prepared each year ensure that the vast majority of consents are monitored for compliance. Those consents not monitored are deemed to represent a low environmental risk.

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

Our next customer satisfaction survey is scheduled for the 2007/08 financial year.

##### SHORT-TERM targets by 30 June 2007

100% of resource consents will be processed within statutory timeframes (20 working days for non-notified consents) within a budget of \$629,000.

99% of the 620 consents processed were within statutory timeframes.

Actual costs were \$658,000.

100% of resource consents will be monitored for compliance with resource consent conditions, within a budget of \$364,000.

72.1% of all consents were monitored (973 of 1351 consents). Those consents that were not monitored were deemed to have a low environmental risk. Specific compliance issues were reported to the Council throughout the year.

Actual costs were \$218,000.



## Activity: Manage resources (continued)

### Targets

#### **SHORT-TERM targets by 30 June 2007 (continued)**

At least two workshops will be conducted for customers on how they can obtain best value from the resource consent process, within a budget of \$91,000.

### Actual

Two sets of workshops (four in all) were held in May and June 2007 for territorial authority staff, earthworks contractors and environmental consultants as part of our Muddy Waters programme on stormwater and sediment control. The workshops also covered the impacts on small streams of development issue.

Actual costs were \$175,000.





## Environment Targets

### Activity: Manage resources (continued)

Levels of service:

#### **B** Research key environmental issues and threats

#### Targets

#### Actual

##### **LONG-TERM targets by 30 June 2016**

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

Targeted investigations of significant resource issues are undertaken in response to pollution incidents or matters identified in our environmental monitoring programmes (eg, algal bloom). By their nature, these investigations are unspecified but they require a response.

We also monitor and investigate contaminated sites on an ongoing basis.

##### **SHORT-TERM targets by 30 June 2007**

Targeted investigations will be completed within a budget of \$287,000. A progress report will be approved by the Council.

A number of investigations were reported in the year, such as the suitability of bathing sites, contamination in shellfish flesh and blue-green algal blooms. Actual costs were \$144,000. Reports are regularly provided to the Council.

The Selected Land Use Register will be maintained and public enquiries will be responded to within a week and within a budget of \$79,000.

The Selected Land Use Register is up to date and enquiries were responded to as required. Actual costs were \$51,000.



## Activity: Manage resources (continued)

Levels of service:

### 4 Investigate and clean-up pollution incidents

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

This year the number of reported incidents decreased by 19%.

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

All reports of pollution incidents are recorded. Response times are determined by the severity of incident according to a “traffic light” alert system.

##### SHORT-TERM targets by 30 June 2007

An annual report card that provides a summary of pollution-control activities will be approved by the Council.

An annual pollution-control report card was presented to the Environment Committee on 21 November 2007 and distributed widely.

All reported pollution-response incidents will be categorised and responded to in accordance with the following timeframes within a budget of \$229,000:

- Log only, no action required
- Red (serious adverse environmental effect requiring immediate attention) – 60 minutes
- Yellow (serious environmental effect where no benefit will be gained by an immediate response) – 24 hours
- Blue (minor environmental effect not requiring immediate response) – seven days

The number of incidents reported this year was 1,107. This is a 19% decrease on the 2005/06 year figure of 1,362. All incidents, at a cost comparable to the previous year, were responded to and where appropriate followed up.

Actual costs were \$386,000.



## Environment Targets

### Activity: Monitor the state of the environment

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

Real-time environmental data is continually updated on Greater Wellington's website. The website also provides summary information.

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

Warnings of high rainfall events and rising river levels are given to flood managers, emergency managers, territorial authorities and potentially affected land owners.

##### SHORT-TERM targets by 30 June 2007

Greater Wellington's flood managers will be notified within 30 minutes when any river or rainfall trigger levels are reached, within a budget of \$130,000.

All flood warnings were issued within the required time. Actual costs were \$88,000.

Greater Wellington's water and consents managers will be notified within one working day of low groundwater levels in the Waiwhetu aquifer, within a budget of \$90,000.

Water levels in the Waiwhetu aquifer were monitored and did not reach alert levels during the period. Actual costs were \$75,000.



### Activity: Monitor the state of the environment (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007 (continued)

Water samples will be taken weekly throughout the bathing season (1 November to 31 March) and tested for the presence of bacteria. A traffic light warning framework will be implemented as follows and within a budget of \$87,000:

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

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

#### Actual

Water samples were taken on a weekly basis during the bathing season and published on Greater Wellington's website. Actual costs were \$74,000.

An annual report summarising the year's results was presented to the Environment Committee in June 2007. An associated publication *On the Beaches 2006-2007* was sent to the region's territorial authorities and regional public health offices, and posted on Greater Wellington's website.

Real-time data resulting from our environmental monitoring was made available on Greater Wellington's website.



## Environment Targets

### Activity: Monitor the state of the environment (continued)

Levels of service:

- 2 Report to the public on the state of the environment

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

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

##### SHORT-TERM targets by 30 June 2007

An annual report card containing summary information for the following resources will be approved by Council within a budget of \$1,704,000:

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

The annual report cards were produced in November 2006 and distributed to interested people. They were also placed on Greater Wellington's website. There was a report card for each of the following areas – groundwater rainfall and river flows, harbours, estuaries and beaches, river and lake health, recreational water quality, soil health and air quality.



## Activity: Environment Education

Levels of service:

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

### Targets

### Actual

#### LONG-TERM targets by 30 June 2016

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

An additional five care groups are established each year. At year-end we had 31 groups operating. More than 50 groups across the region have been assisted by Greater Wellington since the programme's inception.

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

On average since 2002/03, more than 2100 students have participated each year in the environment education programme.

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

The number of businesses seeking advice about how to be more sustainable is increasing significantly. Greater Wellington has been promoting its environmental business education programmes and businesses are showing greater environmental awareness, probably because of climate change. Our Take Charge programme targets either a particular business type or land area, and involves at least 20 businesses a year.



## Environment Targets

### Activity: Monitor the state of the environment

#### Targets

##### **SHORT-TERM targets by 30 June 2007** (continued)

Through the Take Care community environmental education programme, five new care groups will be established and assisted to care for degraded local ecosystems, and existing care groups will be maintained, within a budget of \$265,000.

20 schools will participate in the Take Action environment education programme, within a budget of \$231,000.

20 small-to-medium-sized businesses will be provided with advice on how to take practical action to avoid, remedy or mitigate any adverse effects on the environment, within a budget of \$215,000.

#### Actual

31 care groups were supported by Greater Wellington under the Take Care programme, five of which were new groups or groups that were approved for renewed funding. These new groups are spread across the region.

Actual costs were \$198,000.

23 schools and approximately 2,800 students completed the programme. This year, priority was given to schools in Lower Hutt, Porirua and the Wairarapa.

Actual costs were \$251,000.

57 businesses participated in the Wellington office tower recycling trial between January and June. It is estimated that more than 27 tonnes of recyclable material was diverted from landfill as a result of the trial. Negotiations are underway to provide recycling in these buildings on a permanent basis.

The Readings Cinemas complex recycling and organic waste scheme commenced, diverting around 550kg of waste per day.

A further 46 businesses participated in the Get Sustainable Challenge and EnviroSmart programmes.

Actual costs were \$104,000.

## Environment Financial summary



107

### Funding statement

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
General rate	8,800	8,800
Targeted rate	-	-
Government subsidies	60	10
Interest and dividends	20	20
Other operating revenue	1,409	1,264
<b>Operating revenue</b>	<b>10,289</b>	<b>10,094</b>
Direct operating expenditure	10,044	10,086
Finance costs	3	12
Depreciation	295	231
<b>Operating expenditure</b>	<b>10,342</b>	<b>10,329</b>
<b>Operating surplus/(deficit)</b>	<b>(53)</b>	<b>(235)</b>
<b>Less:</b>		
Capital expenditure	465	481
Proceeds from asset sales	(14)	(27)
Loan funding	(283)	(320)
<b>Rates funded capital expenditure</b>	<b>168</b>	<b>134</b>
Debt repayment	28	24
Investment additions	-	-
Operational reserve movement	(79)	(162)
Working capital movements	(54)	-
Non-cash items	(295)	(231)
<b>Net funding required</b>	<b>179</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Managing resources	4,846	5,084
Monitor the state of the environment	4,448	4,047
Environmental education	995	963
<b>Total operating revenue</b>	<b>10,289</b>	<b>10,094</b>

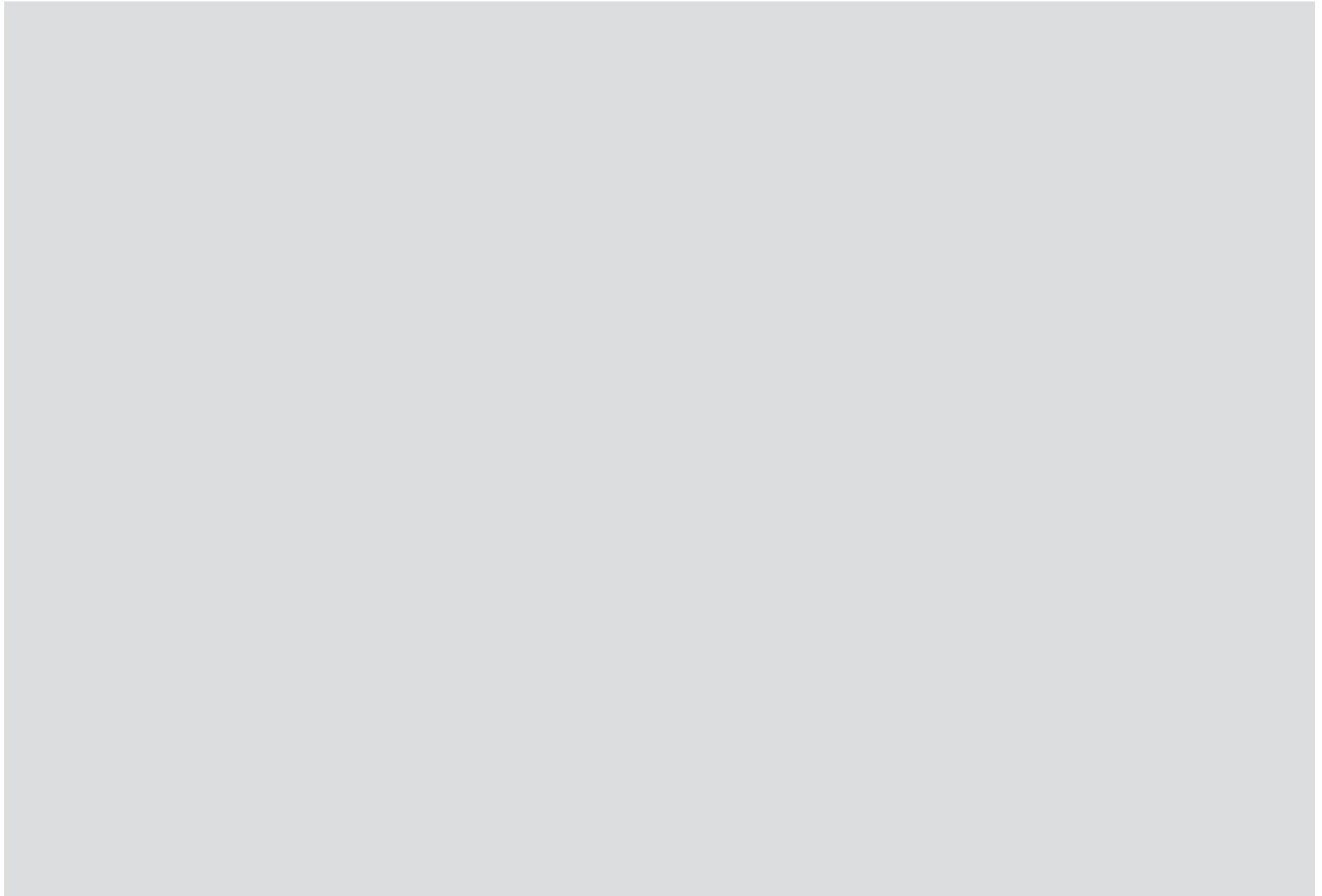
### Operating expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Managing resources	5,128	5,241
Monitor the state of the environment	4,083	4,097
Environmental education	1,131	991
<b>Total operating expenditure</b>	<b>10,342</b>	<b>10,329</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Environmental monitoring equipment	92	320
<b>Capital project expenditure</b>	<b>92</b>	<b>320</b>
Land and buildings	-	-
Plant and equipment	265	80
Vehicles	108	81
<b>Total capital expenditure</b>	<b>465</b>	<b>481</b>







Greater Wellington’s transport group of activities contribute to a number of community outcomes, namely – *prosperous community, connected community, essential services, healthy environment, healthy community and quality lifestyle*. The specific activities continue to have a significant positive impact on wellbeing in general, particularly economic, environmental and social. Economic wellbeing is enhanced through the contribution made to getting people to work on the public transport system. It is also enhanced through the transport planning role, which includes facilitating freight movement, as well as movement by all types of vehicles for work purposes.

Environmental wellbeing is enhanced through contracting public transport services. This results in fewer vehicles on the roads, particularly at congested times, and leads to lower environmental impacts. Greater Wellington also encourages cycling and walking, which are more environmentally friendly modes that have positive spin-offs in fitness terms.

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

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Prosperous community

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

### Connected community

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

### Essential services

Provide and maintain urban passenger trains, “Park and Ride” facilities, train stations, bus-rail interchanges, bus lanes and bus shelters.

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

### Healthy environment

Encourage people to use public transport.

### Healthy community

### Quality lifestyle

Part-fund taxi services for people with disabilities



## Transport Targets

### Activity: Plan and monitor the transport network

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

In the Transit New Zealand Travel Time Survey carried out in March 2007, all-day average congestion was 20.4 seconds delay per kilometre travelled.

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

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

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

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

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

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

##### SHORT-TERM targets by 30 June 2007

An annual report on the Regional Land Transport Strategy will be approved by the Council within a budget of \$73,000.

The 2005/06 Annual Monitoring Report was published in September 2006 at a cost of \$60,000.

Greater Wellington will commence a travel-planning programme within a budget of \$1,025,000 (budget was revised to \$585,000).

Processes, guidelines, templates and tools were developed to deliver a standardised regionally managed travel plan programme. The programme includes a monitoring methodology to measure mode shifts and changes in vehicle kilometres travelled as a result of the implementation of travel plans.



**Activity: Plan and monitor the transport network** (continued)

**Targets**

**Actual**

**SHORT-TERM targets by 30 June 2007** (continued)

Six Wellington workplaces and five schools throughout the region commenced travel plans through Greater Wellington's programme.

Working together with the Sustainability Trust and Hutt City Council, with funding from the Ministry for the Environment's Sustainable Management Fund, we developed a pilot community-based initiative focused on reducing vehicle kilometres travelled for short trips.

The total cost of the travel planning programme was \$393,000.

Greater Wellington will progress the review of the Regional Land Transport Strategy within a budget of \$230,000.

The strategy review was substantially completed on 27 June 2007 when the Regional Land Transport Committee recommended it for adoption by the Council. Expenditure was \$183,000, well under budget due primarily to the in-house processing of submissions.

Greater Wellington will commence an upgrade of the Wellington Transport Strategic Model within a budget of \$360,000.

Consultants were engaged to upgrade the model to a 2006 base. By 30 June, the project was approximately 85% complete at a cost of \$329,000.



## Transport Targets

### Activity: Provide the infrastructure for public transport

Levels of service:

■ Provide and maintain urban passenger trains, Park and Ride facilities, stations, bus-rail interchanges, bus lanes, and bus shelters

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

In the Transit New Zealand Travel Time Survey carried out in March 2007, all-day average congestion was 20.4 seconds delay per kilometre travelled.

##### SHORT-TERM targets by 30 June 2007

All current and future public transport user facilities will be maintained in accordance with Greater Wellington's guidelines and asset management plans, within a budget of \$9,357,000. This includes maintaining public transport user facilities and providing bus lanes and bus-priority systems, as well as installing 2250 Metlink standard bus stop signs and 21 Metlink CBD display units.

All public transport user facilities were maintained in accordance with Greater Wellington's guidelines and draft asset-management plans. During 2006/07 \$4,793,000 was spent maintaining and upgrading 2,740 bus stops, 804 shelters, 58 train stations, and associated Park and Ride facilities.

Improvements to the region's public transport infrastructure during 2006/07 include 13 new bus shelters across the region (including a new shelter at Days Bay Wharf), 61 extra carparking spaces at Paraparaumu train station, four new Metlink CBD display units, installation of new Metlink standard bus stop signs and the commencement of the upgrade programme for the Wairarapa train stations.



## Activity: Provide the infrastructure for public transport (continued)

Levels of service:

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

### Targets

**SHORT-TERM targets by 30 June 2007** (continued)

### Actual

There were delays and deferral of some public transport infrastructure improvement projects. These included:

- Delay to the start of the upgrade programme for the Wairarapa train stations. This resulted in an under-spend of \$2,065,000 (though this work was largely completed by August 2007)
- Deferral of \$1,000,000 of expenditure on bus priority measures and bus lanes. Greater Wellington is working with the Wellington City Council to implement measures in 2007/08
- Deferral of \$500,000 of expenditure on integrated ticketing. A study is underway to determine future options for integrated ticketing in the region



## Transport Targets

### Activity: Fund and promote public transport services

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

In the Transit New Zealand Travel Time Survey carried out in March 2007, all-day average congestion was 20.4 seconds delay per kilometre travelled.

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

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

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

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

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

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

##### SHORT-TERM targets by 30 June 2007

More than 95% of calls to the Metlink Service Centre will be answered and customers provided with the necessary travel information within a budget of \$576,000.

95.9% of all calls to the Metlink Service Centre were answered and customers were provided with the necessary travel information at a cost of \$718,000. Additional costs were incurred due to a 28% increase in call volume over the previous year.



**Activity: Fund and promote public transport services** (continued)

**Targets**

**Actual**

**SHORT-TERM targets by 30 June 2007** (continued)

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

Journey-to-work trips by public transport decreased by 4.4% in 2006/07. This decrease follows an exceptional increase of 11.6% in 2005/06.

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

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

Additional improvements to the region's public transport services network during 2006/07 include eight extra peak trips in Wellington city; 10 extra peak trips in Wellington's northern suburbs; rescheduling of Wellington school services following the introduction of a new contract; signing of a new trolley bus contract, which will see the introduction of 61 new trolley buses over the next two years; extended coverage of service monitoring (including high bus-traffic points within the region and also rail services) to ensure all contracts are monitored at least once a quarter.

The total cost of contracted services, including concessionary fare reimbursements and school services, was \$54,355,000.

Greater Wellington will undertake an integrated ticketing review within a budget of \$100,000.

The review was undertaken at a cost of \$72,000. A report was presented to the Passenger Transport Committee on 26 June 2007.

Greater Wellington will complete the review of Porirua, Tawa and Wairarapa services within a budget of \$125,000.

The Wairarapa review was completed and new services commenced on 30 July 2007. A number of minor reviews of services commenced in Wellington and Porirua. The total cost of these reviews was \$70,000.





## Transport Targets

### Activity: Fund total mobility

Levels of service:

**I** Part-fund taxi services for people with disabilities

#### Targets

#### Actual

##### **LONG-TERM targets by 30 June 2016**

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

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

##### **SHORT-TERM targets by 30 June 2007**

The Total Mobility scheme will be administered to the satisfaction of Land Transport New Zealand within a budget of \$2,811,000.

Total Mobility scheme procedures were carried out in accordance with Land Transport New Zealand guidelines. Cost for the year was \$1,800,000. The reduced expenditure resulted from holding off potential scheme improvements while a review of the scheme was completed by Land Transport New Zealand and the Ministry of Transport.

Five van hoists were funded through the scheme in 2006/07, of which two were new hoists and three were replacing old hoists. The scheme now has a fleet of 29 van hoists operating across the region.

Usage of the scheme increased from 2005/06 by 5.4%.

## Transport Financial summary



117

### Funding statement

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
General rate	-	-
Targeted rate	32,819	32,819
Government subsidies	50,833	103,296
Interest and dividends	63	122
Other operating revenue	263	239
<b>Operating revenue</b>	<b>83,978</b>	<b>136,476</b>
Direct operating expenditure	93,943	76,205
Finance costs	228	679
Depreciation	490	411
<b>Operating expenditure</b>	<b>94,661</b>	<b>77,295</b>
<b>Operating surplus/(deficit)</b>	<b>(10,683)</b>	<b>59,181</b>
<b>Less:</b>		
Capital expenditure	15	2,605
Passenger transport investment	-	80,292
Proceeds from asset sales	(6)	(12)
Loan funding	(10,137)	(23,181)
<b>Rates and subsidy-funded capital expenditure</b>	<b>(10,128)</b>	<b>59,704</b>
Debt repayment	590	867
Investment additions	-	-
Operational reserve movement	599	(979)
Working capital movements	2,459	-
Non-cash items	(688)	(411)
<b>Net funding required</b>	<b>(3,515)</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Plan and monitor the transport network	3,100	4,494
Provide the infrastructure for public transport	19,361	70,536
Fund and promote public transport services	59,029	57,883
Fund total mobility	2,488	3,563
<b>Total operating revenue</b>	<b>83,978</b>	<b>136,476</b>

### Operating expenditure

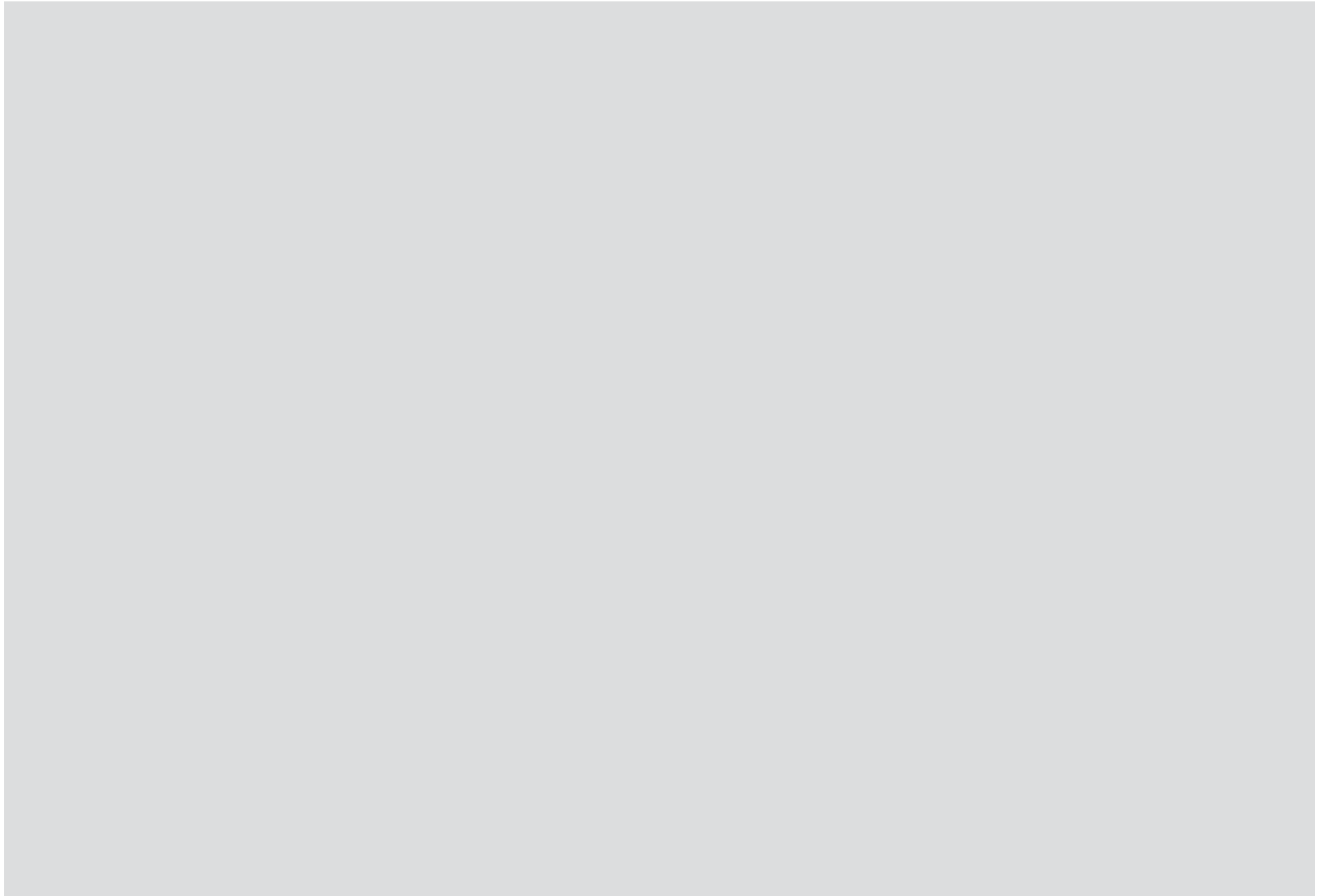
	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Plan and monitor the transport network	2,818	4,722
Provide the infrastructure for public transport	29,802	11,416
Fund and promote public transport services	59,740	57,787
Fund total mobility	2,301	3,370
<b>Total operating expenditure</b>	<b>94,661</b>	<b>77,295</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Rail	-	81,092
Other	-	1,560
<b>Capital project expenditure</b>	<b>-</b>	<b>82,652</b>
Land and buildings	-	-
Plant and equipment	15	187
Vehicles	-	58
<b>Total capital expenditure</b>	<b>15</b>	<b>82,897</b>

**Note 1:** The lower government subsidies are due to the delay in signing the contract for the supply of the new Electric Multiple Units. This has also impacted on capital expenditure and transport investment.

**Note 2:** Greater Wellington Rail Ltd (GWRL) will own Greater Wellington's investment in rail rolling stock. The budget assumed this would be funded by way of share capital. However, GWRL is now funded by a capital grant, which increases direct operating expenditure and decreases the amount spent on passenger transport investment. The amount for 2006/07 was \$19.809 million.





Greater Wellington collects, treats and delivers water to the cities of Lower Hutt, Porirua, Upper Hutt and Wellington. It contributes to the following community outcomes – *essential services, healthy community, healthy environment and prepared community.*

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

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

The supply of water after an emergency event will be critical to the community’s ability to recover. As part of a long-term programme to make our systems more robust and secure, this year we added a new emergency connection to Upper Hutt City’s reticulation system.

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Essential services

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

### Healthy community

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

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

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

Encourage people to use water wisely.

### Healthy environment

Manage catchments so that treatment plants receive good water quality.

### Prepared community

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

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



## Water supply Targets

### Activity: Collect, treat and deliver water

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

The Hutt Valley District Health Board has advised full compliance with the Drinking-Water Standards for 2006/07 but this has not yet been officially confirmed. Greater Wellington Water manages water supply assets in accordance with an asset management plan which was prepared to national standards.

##### SHORT-TERM target by 30 June 2007

Water will be supplied to the four cities within a total operating expenditure, excluding depreciation, of \$22,432,000. Specifically:

- The collection, treatment and delivery of water will be managed to ensure the quality of water supplied continually complies with the Ministry of Health's relevant Drinking-Water Standards for New Zealand. Water testing will be carried out by an International Accreditation New Zealand registered laboratory at sampling points defined by the Quality Assurance Section of Greater Wellington Water, not less than five days out of every seven. Expenditure will not exceed the budget of \$716,000.

56,048 million litres of water was collected, treated and supplied to the four cities during 2006/07 in compliance with the Drinking-Water Standards and to meet the quality of water required by the community. Expenditure of \$21,584,000 was incurred to achieve this.

Expenditure for water testing to show compliance with the Drinking-Water Standards totalled \$716,000.



### Activity: Collect, treat and deliver water (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007 (continued)

- The gradings of the water treatment plants at 1 July 2006 will be maintained, except for the plants that will be graded during the year.
- Vegetation management and pest control measures will be carried out in Greater Wellington Water's water supply catchments, in accordance with the Forestry Management Plan and within a budget of \$170,000, so that the treatment plants receive good-quality water.
- Customers will be provided with a business report by 30 November 2006, which will include the following information:
  - Financial results for the preceding financial year ended 30 June
  - Actual quality compared with targeted performance
  - A list of incidents where supply has been interrupted, together with the time taken to respond and repair
  - A report on compliance with resource consent requirements
  - Status of ongoing service level agreements

#### Actual

The Te Marua Water Treatment Plant received an A1 grading this year and Waterloo maintained a B grading (the highest grading available for a non-chlorinated supply). The Wainuiomata Water Treatment Plant maintained its A1 grading. Gear Island has yet to be graded under the new 2003 grading rules.

Vegetation management and pest control measures were carried out by staff and contractors in the catchment. Actual cost of the work was \$156,000. Untreated water showed no abnormal levels of cryptosporidium, giardia or ecoli.

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



## Water supply Targets

### Activity: Plan to meet current and future demand for water

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

Investigation of options for a new water source was completed. It's expected the community and customers will be consulted in 2008 on a range of water supply options, including a demand side response.

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

A draft water management plan was prepared in conjunction with our city customers and will be finalised in 2007/08.

##### SHORT-TERM target by 30 June 2007

A report will be prepared on options for a new significant water source within a budget of \$1,084,000.

Investigations into a new significant water source were completed at a cost of \$1,155,000, covering technical investigations, planning and consultation, environmental issues and distribution systems. An overview summary is now being finalised for input into the water supply strategy.

The Wellington Water Management Plan will be implemented in association with our city council customers.

The draft Wellington Water Management Plan was prepared with our city customers and it was agreed that further market research would be undertaken before the plan is finalised. This will be carried out in the first half of 2007/08 and the plan will be completed in the same year.

A water-conservation programme will be implemented within a budget of \$72,000.

The summer water-conservation programme was implemented at a cost of \$50,000. The reduced expenditure resulted from a shorter-than-planned programme due to poor early-summer weather.



## Activity: Plan for emergencies

Levels of service:

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

### Targets

### Actual

#### LONG-TERM targets by 30 June 2016

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

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

Projections using a computer-based sustainable yield model show that at current growth rates, Greater Wellington’s water supply infrastructure has less than a 1-in-50-year shortfall probability until about 2007. A 1-in-50-year shortfall probability was adopted after consultation with our customers. This is lower than that of Auckland’s 1-in-200-year standard, though the Auckland system is more reliant on storage and hence more susceptible to long-term droughts.

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





## Water supply Targets

### Activity: Plan for emergencies (continued)

#### Targets

##### **SHORT-TERM targets by 30 June 2007**

The Stuart Macaskill Lake towers at Te Marua will be strengthened to meet the latest seismic design standards at a cost not exceeding \$100,000.

At least one customer emergency connection will be installed at a cost not exceeding \$50,000.

Investigations for an emergency pumping station at Whitehead Road, Wellington city, will be started, at a cost not exceeding \$20,000.

#### Actual

This project did not proceed. During the preliminary design phase, concrete cores were taken from the existing tower and the concrete strength was found to be much higher than the design strength. The design check using the new strength showed that the towers would perform adequately in a major earthquake. Total project costs of \$40,605 were expensed at year end.

The emergency connection to the Upper Hutt water-reticulation system was completed at a cost of \$48,563 in the financial year.

Investigations for an emergency pumping station were commenced and the siting and capacity requirements have been confirmed for expenditure of 9,807.

## Water supply Financial summary



125

### Funding statement

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
General rate	-	-
Targeted rate	-	-
Water supply levy	22,776	22,776
Government subsidies	-	-
Interest and dividends	618	722
Other operating revenue	733	700
<b>Operating revenue</b>	<b>24,127</b>	<b>24,198</b>
Direct operating expenditure	14,954	16,045
Finance costs	3,220	3,401
Depreciation	6,316	6,771
<b>Operating expenditure</b>	<b>24,490</b>	<b>26,217</b>
<b>Operating surplus/(deficit)</b>	<b>(363)</b>	<b>(2,019)</b>
<b>Less:</b>		
Capital expenditure	4,257	6,759
Proceeds from asset sales	(94)	(135)
Loan funding	(3,975)	(6,230)
<b>Rates funded capital expenditure</b>	<b>188</b>	<b>394</b>
Debt repayment	4,262	2,886
Investment additions	1,503	1,472
Operational reserve movement	-	-
Working capital movements	-	-
Non-cash items	(6,316)	(6,771)
<b>Net funding required</b>	<b>-</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Collect, treat and deliver water	24,127	24,198
<b>Total operating revenue</b>	<b>24,127</b>	<b>24,198</b>

### Operating expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Collect, treat and deliver water	24,490	26,217
<b>Total operating expenditure</b>	<b>24,490</b>	<b>26,217</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Water sources	829	1,180
Water treatment plants	954	1,990
Pipelines	432	1,400
Pump stations	884	530
Reservoirs	-	100
Monitoring and control	335	580
Seismic protection	86	200
Other	349	250
<b>Capital project expenditure</b>	<b>3,869</b>	<b>6,230</b>
Land and buildings	-	-
Plant and equipment	48	161
Vehicles	340	368
<b>Total capital expenditure</b>	<b>4,257</b>	<b>6,759</b>

Capital expenditure is below budget due to savings in budgeted projects and the deferral of some projects. There were savings in the treatment plant, Wainuiomata Dam and strengthening the lake towers at Stuart Macaskill Lakes. The pipeline on Silverstream Bridge was deferred.





This group of activities contributes to four community outcomes – *quality lifestyle, sense of place, healthy community* and *healthy environment*.

Greater Wellington's diverse parks, forests and recreational areas have significant social benefits as they provide a wide range of outdoor recreational opportunities. Half of the regional population visited at least one regional park last year and 90% said they were satisfied with the experience.

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

We continue to invest in facilities for our visitors. This year we restored a historic barn, improved tracks, rebuilt a tramping hut and replaced fencing. Greater Wellington also awarded development rights for a wind farm at Puketiro.

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

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Quality lifestyle

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

### Sense of place

Manage the Hutt River trail and recreation areas in the Akatarawa and Pukaratahi Forests, and in the Hutt, Wainuiomata and Orongorongo catchments.

### Healthy community

Prepare management plans to guide use and development.

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

Care for and monitor ecosystem health.

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

Run a summer programme of community events.

Involve local communities in the management of these areas.

### Healthy environment



## Parks Targets

### Activity: Manage regional parks and recreation areas

#### Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

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

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

During the period, four regional parks (Battle Hill, Belmont, Kaitoke and Queen Elizabeth parks) and the two forests attracted an estimated 513,000 visits. 90% of visitors stated that they were either quite (23%) or very (67%) satisfied with their most recent park experience.

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

Regular systems for monitoring, inspecting and maintaining assets are in place to ensure assets comply with acceptable standards. Condition assessments of assets show that asset condition remains consistently high.



## Activity: Manage regional parks and recreation areas (continued)

### Targets

#### SHORT-TERM targets by 30 June 2007

Environmental assets and settings within the regional parks and forests will be managed in accordance with the Parks and Forests Environmental Asset Management Plan service levels, within a budget of \$1,066,000. A report on compliance with the standards in the Environmental Asset Management Plan will be approved by the Council.

Recreation and heritage assets and facilities in the regional parks and forests will be managed in accordance with the Parks and Forests Infrastructural Asset Management Plan service levels and within a budget of \$1,331,000. A report on compliance with the Infrastructural Asset Management Plan service levels will be approved by the Council.

The annual capital works programme will be undertaken to appropriate architectural and engineering standards, and within the Parks and Forests Infrastructural Asset Management Plan service levels, within a budget of \$608,000. A progress report will be approved by the Council.

Greater Wellington will investigate the possibility of assisting renewable energy production (eg, solar, wind, hydro) on its own lands within a budget of \$60,000.

### Actual

This year's monitoring of ecosystem health on Greater Wellington land is showing increases in indigenous seedling abundance and native fauna. Tree health was improved, the forest canopy is in good condition and there has been no significant loss in biodiversity on Greater Wellington land. Pest control was undertaken to appropriate standards. Our monitoring practices have been audited by Landcare Research and assessed to be completed to a high standard. Actual expenditure incurred was \$860,000. The Council approved a report.

This year's monitoring of asset condition indicates that heritage assets and facilities in the regional parks and forests are being maintained to acceptable service levels at a cost of \$1,283,000 for the year. The Council approved a report.

This year the capital works programme restored a historic barn and replaced toilets at Queen Elizabeth Park, rebuilt the Orange Hut in the Akatarawa Forest that was devastated by fire, and replaced 7km of fencing in the parks. Capital development of Whitireia Park is on hold until the transfer of the park is confirmed. Many of these projects were completed with the help of volunteers. Actual expenditure incurred was \$401,000. The Council approved a report.

Development rights for a wind farm at Puketiro were awarded to RES NZ Ltd. Tenders were received just before year-end for development of a wind farm at Stoney Creek in the Wairarapa. Total net project costs for the year were \$50,000.



## Parks Targets

### Activity: Promote community use

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

There were an estimated 513,000 visits to four regional parks and two forest areas during the year. 51% of the regional population have visited at least one regional park in the past 12 months. This equates to 229,500 visitors normally resident here. 90% of visitors expressed themselves "satisfied" with their experience (67% were "very satisfied").

##### SHORT-TERM target by 30 June 2007

The marketing plan for the regional parks and forests will be implemented within a budget of \$170,000, and will include the planning, promotion and implementation of a regional outdoor programme. A progress report will be approved by the Council.

The marketing plan was implemented within budget, with actual expenditure of \$155,000 incurred.

Ranger services will be provided that facilitate public access, educate and inform visitors and users, liaise with community and stakeholder groups, and ensure compliance with the Council policies, within a budget of 917,000.

Ranger staff provided security and educational services in the parks. Community groups worked with rangers on a number of planting and restoration projects. Rangers worked with park users to ensure they had a safe and enjoyable outdoor experience. Actual expenditure of \$760,000 was incurred for the year.

The annual community enhancement projects will be completed within budget of \$120,000. A progress report will be approved by the Council.

Actual expenditure of \$109,000 was incurred for the year for enhancement projects. A progress report will go to the Council for approval in August 2007.

## Parks Financial summary



131

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Funding statement</b>		
General rate	5,522	5,522
Targeted rate	-	-
Government subsidies	-	-
Interest and dividends	-	-
Other operating revenue	1,027	784
<b>Operating revenue</b>	<b>6,549</b>	<b>6,306</b>
Direct operating expenditure	5,591	5,857
Finance costs	236	239
Depreciation	536	494
<b>Operating expenditure</b>	<b>6,363</b>	<b>6,590</b>
<b>Operating surplus/(deficit)</b>	<b>186</b>	<b>(284)</b>
<b>Less:</b>		
Capital expenditure	567	757
Proceeds from asset sales	(53)	(37)
Loan funding	(397)	(608)
<b>Rates funded capital expenditure</b>	<b>117</b>	<b>112</b>
Debt repayment	262	258
Investment additions	-	-
Operational reserve movement	196	(160)
Working capital movements	348	-
Non-cash items	(519)	(494)
<b>Net funding required</b>	<b>(218)</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Manage regional parks and recreation areas	5,992	5,099
Promote community use	557	1,207
<b>Total operating revenue</b>	<b>6,549</b>	<b>6,306</b>

### Operating expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Manage regional parks and recreation areas	5,763	5,383
Promote community use	600	1,207
<b>Total operating expenditure</b>	<b>6,363</b>	<b>6,590</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Queen Elizabeth Park enhancements	279	240
East Harbour Park enhancements	-	50
Whitireia Park enhancements	-	200
Akatarawa Recreation Area enhancements	16	50
Asset-management plan upgrades	106	68
<b>Capital project expenditure</b>	<b>401</b>	<b>608</b>
Land and buildings	-	-
Plant and equipment	31	44
Vehicles	135	105
<b>Total capital expenditure</b>	<b>567</b>	<b>757</b>







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

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

We promote sustainable land management practices to protect soils so they retain their productivity. The Wairarapa area suffered major flooding and erosion in 2006/07, and it was evident that, where Greater Wellington had planted land to a good standard, there was considerably less damage from erosion.

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Prosperous community

Develop pest management strategies.

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

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

Investigate and manage the use of land.

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

Provide advice on land-management issues.

### Healthy environment



## Land Targets

### Activity: Manage pest plants and animals

Levels of service:

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

#### Targets

#### Actual

##### **LONG-TERM targets by 30 June 2016**

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

The 2006/07 Regional Pest Management Strategy Operational Plan was successfully implemented. Particular attention was applied to eradication and containment of pests that threaten our environment and regional economy. The Key Native Ecosystem programme continued with more than 78 priority sites receiving pest control. Our joint venture pest control programmes with local councils continued to expand, with 50 sites receiving pest control. Pest management was undertaken in 10 wetlands, four coastal escarpments, one dune ecosystem and 63 native forest areas.

##### **SHORT-TERM target by 30 June 2007**

Work programmes identified in the fifth year of the Regional Pest Management Strategy 2002-22 will be implemented in accordance with the approved operational plan, within a budget of \$2,072,000. A progress report will be approved by the Council.

Implementation was completed at a cost of \$1,985,000. An annual report on achievements under the Regional Pest Management Strategy for the 2006/07 year will be presented to the Rural Services and Wairarapa Committee for approval in November 2007.



## Activity: Control bovine tuberculosis in wildlife

Levels of service:

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

### Targets

#### LONG-TERM targets by 30 June 2016

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

### Actual

At 30 June 2007, 80.8% of the region was under intensive possum control programmes, and there were 10 infected bovine Tb cattle and deer herds. This is a good result as the target in the Regional Tb Operational Plan for 2007 was 15 infected herds. Of particular significance was the decline of bovine Tb reactors from 33 in 2006 to 16 in 2007.

#### SHORT-TERM target by 30 June 2007

Bovine Tb vector control operations will be planned and implemented over 321,800 hectares in accordance with the Wellington Bovine Tb Strategic Plan, within a budget of \$4,652,000. Progress will be reported monthly to the Animal Health Board, as well as in a year-end report.

The 2006/07 vector-control programme was reviewed with the Animal Health Board in the second quarter. This resulted in a number of amendments, including vector control of more than 258,545 hectares. Ferret and possum surveys over 26,142 hectares and feral pig surveys over 144,661 hectares were also agreed.

Vector-control operations were successfully completed to Animal Health Board standards on 230,259 hectares. This included the large SE Wairarapa Stage 3 operation involving the Haurangi Forest Park and surrounding farmland that had been re-budgeted from the 2005/06 year. All feral animal surveys were completed. The total cost of \$5,102,000 included vector management and operational/trend-monitoring expenditure.



## Land Targets

### Activity: Promote sustainable land management

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

The promotion of sustainable land management activities will result in:

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

- Stabilisation of erosion-prone land is progressing. We planted an additional 355 hectares of soil-conservation trees during the year using sustainable management practices
- Annual programmes focusing on erosion and flood mitigation have been completed for six community catchment-control schemes. Two of the schemes have had programmes approved for a further five years
- Baseline monitoring of soil health is complete. Repeat monitoring is continuing to determine any change in the state of the region's soils. To date, there is no significant change in the region's soil health
- There has been no significant change in water quality in our key streams and rivers. Key rivers and streams are monitored as part of Greater Wellington's state-of-the-environment monitoring. Any changes in water quality in these water bodies will take some time to occur



**Activity: Promote sustainable land management** (continued)

**Targets**

**Actual**

**SHORT-TERM targets by 30 June 2007**

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

Approved soil-conservation programmes were completed on 152 properties, incorporating 330 hectares of pole planting (23,000 poles), 25 hectares of conservation woodlots and 3.5km of shelterbelts. Programmes were completed to the Council's performance standard at a cost of \$516,000. A progress report is going to the Wairarapa and Rural Services Committee in September 2007.

Approved programmes will be completed under six catchment control schemes to the satisfaction of each Scheme Advisory Committee to the Council's performance standards, within a budget of \$88,000. A progress report will be approved by the Council.

Approved programmes have been completed for each of the six schemes to established standards and in accordance with advisory committee resolutions. These programmes were completed at a cost of \$96,000, which included \$14,200 of flood damage repair. A progress report is going to the Wairarapa and Rural Services Committee in September 2007.

Stage 2 of the soil-quality monitoring programme will be started. Established sites will be revisited to establish whether there has been any change over time, within a budget of \$30,000. A progress report will be approved by the Council.

A further 25 sites were revisited within Stage 2 of the soil-quality monitoring programme. The total cost of this work was \$25,000. A progress report has not been prepared but will go to the Council during 2007/08.

Five kilometres of riparian management, focusing on increased biodiversity along stream banks, will be implemented within a budget of \$190,000.

Riparian management, focusing on increased biodiversity, was completed as follows – 2km of new riparian planting and 1.7km of maintenance planting, all at a total cost of \$174,500.



## Land Financial summary

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Funding statement</b>		
General rate	3,939	3,939
Targeted rate	194	194
Government subsidies	-	-
Interest and dividends	55	59
Other operating revenue	6,818	6,613
<b>Operating revenue</b>	<b>11,006</b>	<b>10,805</b>
Direct operating expenditure	11,301	10,762
Finance costs	-	-
Depreciation	60	(36)
<b>Operating expenditure</b>	<b>11,361</b>	<b>10,726</b>
<b>Operating surplus/(deficit)</b>	<b>(355)</b>	<b>79</b>
<b>Less:</b>		
Capital expenditure	113	108
Proceeds from asset sales	(13)	(23)
Loan funding	-	-
<b>Rates funded capital expenditure</b>	<b>100</b>	<b>85</b>
Debt repayment	-	-
Investment additions	-	-
Operational reserve movement	(231)	(42)
Working capital movements	307	-
Non-cash items	(60)	36
<b>Net funding required</b>	<b>(471)</b>	<b>-</b>

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Operating revenue</b>		
Promoting sustainable land management	2,187	2,413
Control bovine Tb wildlife vectors	5,286	4,873
Manage pest plants and animals	3,533	3,519
<b>Total operating revenue</b>	<b>11,006</b>	<b>10,805</b>
<b>Operating expenditure</b>		
Promoting sustainable land management	2,276	2,394
Control bovine Tb wildlife vectors	5,552	4,934
Manage pest plants and animals	3,533	3,398
<b>Total operating expenditure</b>	<b>11,361</b>	<b>10,726</b>
<b>Capital expenditure</b>		
Land and buildings	-	-
Plant and equipment	-	-
Vehicles	113	108
<b>Total capital expenditure</b>	<b>113</b>	<b>108</b>



The safety and flood protection group of activities contributes to the following community outcomes – *quality lifestyle, prepared community, healthy community, healthy environment and sense of place.*

Greater Wellington’s flood protection activity assists the community to protect itself from the consequences of flooding. It does so by investigating flood hazards, preparing floodplain management plans, building and maintaining flood protection works, as well as extracting gravel and operating flood-warning systems. As part of this work, we look after our river environments, thereby contributing to the environmental, as well as economic, social and cultural, wellbeing of the community. This year we had to carry out flood damage works in the Wairarapa. However, all planned maintenance work was completed and a number of capital projects were progressed, eg, Crystals extended stopbank in Otaki, Whirinaki Crescent stopbank in Upper Hutt and the Kopuaranga river enhancement.

Greater Wellington runs the Emergency Management Office and Emergency Operation’s Centre (EOC) of the Wellington Region Civil Defence Emergency Management Group, a consortia of local authorities in the region. We run the Group’s EOC. Being prepared and able to respond to emergency events contributes to the economic, social, cultural and environmental wellbeing of the community. This year we significantly upgraded the communications and information management systems in the Group’s EOC and participated in seven major exercises.

Another major function of Greater Wellington is managing the region’s harbours and coastal waters for navigation and safety purposes. This year, in accordance with the New Zealand Port and Harbour Marine Safety Code, we produced a draft “Safety Management System” for Wellington Harbour. Covering issues such as navigational safety and risk-control measures, this document will guide much of our work in harbour management and contribute to the region’s social and economic wellbeing.

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Quality lifestyle

Plan to reduce the impacts of floods.

Build and maintain agreed flood protection works, for example, stopbanks.

Provide a consultancy service for land drainage schemes.

### Prepared community

Plan for emergency events.

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

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

Operate a flood warning system.

### Healthy community

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

Educate people about water safety and enforce maritime safety rules.

### Healthy environment

Enhance the environment along flood corridors.

### Sense of place

Clean up oil spills in our harbours and coastal waters.





## Safety and flood protection Targets

### Activity: Flood protection

Levels of service:

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

### Targets

#### LONG-TERM targets by 30 June 2016

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

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

### Actual

The most significant floods in the region were in the Wairarapa where a 40-year return period event affected the Ruamahanga River. This was the largest volume event since the Lower Wairarapa Valley Development Scheme was built. Given the scale of the event, the damage was minimal and the scheme worked as intended. There were very high lake levels which caused damage to private stopbanks and pastures, some disruption to the local community and damage to flood protection assets. A prompt response to the flood event was made and the flood damages were essentially completed by June 2007.

## Safety and flood protection Targets



141

### Activity: Flood protection (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007

The Waiwhetu Stream flood plan investigation will be completed within a budget of \$161,000. A progress report will be approved by the Council.

The Waingawa River Scheme Review will be completed, along with other investigations, within a budget of \$346,000. A progress report will be approved by the Council.

The upgrade of the Alicetown stopbank, Hutt River, will be completed in accordance with accepted engineering standards within a budget of \$155,000.

#### Actual

The Waiwhetu Stream flood plan investigation was not able to be completed by June 2007. The project has grown considerably since initial scoping with the need to consider the disposal of contaminated sediments, as well as the flood protection issues. The bulk of the technical investigations were completed by year-end. Documentation of the outcomes and completing the floodplain management plan will continue into the 2007/08 financial year. Greater Wellington's costs were \$169,000, which was \$8,000 over budget. The Hutt City Council contributed \$35,500 to give a total cost of \$204,000. The Waiwhetu Stream Advisory Committee receives regular progress reports and any resolutions were subsequently adopted by the Council.

Progress on the Waingawa River Scheme Review was delayed because of the Lower Wairarapa Valley Development Scheme's rating review and the Kopuaranga River Enhancement Project. The investigations were unable to be completed in this financial year. However, the key components of a river survey, gravel analysis and hydraulic modelling were completed. The Kopuaranga investigation was completed and a river scheme adopted by the community. Total cost was \$441,000. The Council received regular progress reports.

The upgrade of the Alicetown stopbank was completed in accordance with accepted engineering standards, at a total cost of \$159,000. The Hutt City Council contributed \$158,500 for stormwater outlets.



## Safety and flood protection Targets

### Activity: Flood protection (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007 (continued)

The Lower Wairarapa Valley Development Scheme stopbank improvements will be completed within a budget of \$585,000.

Maintenance operations in the western part of the region will be completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan, all within a budget of \$2,256,000. A progress report will be approved by the Council.

The construction of the Whirinaki Crescent stopbank, Hutt River, will be completed in accordance with accepted engineering standards within a project budget of \$838,500.

Maintenance operations for the 10 Wairarapa river schemes will be completed to established standards and to the satisfaction of the scheme advisory committees within a budget of \$1,635,000.

#### Actual

The stopbank improvements for the Lower Wairarapa Valley Development Scheme were deferred to 2007/08 because resources were required to complete flood-damage repairs resulting from the July and August 2006 storms. The Rural Services and Wairarapa Committee approved the deferment of this work at its meeting on 19 September 2006.

Maintenance operations in the western part of the region were completed in accordance with established standards, statutory requirements and the Western Rivers Asset Management Plan, within a total cost of \$1,821,000. In addition, \$188,000 of new flood protection assets were constructed during the year on the Hutt, Waikanae and Otaki rivers. An annual asset maintenance report will be submitted to the Council in September 2007.

The Whirinaki Crescent stopbank project was delayed because the land acquisition took longer than anticipated to complete. In May 2007, the Landcare Committee approved a revised programme and total budget of \$917,000 to complete the works in two stages by June 2008. Stage 1 works have commenced and tenders have been called for Stage 2 works. The total cost for 2006/07 was \$163,000.

The maintenance programmes were completed for the 10 Wairarapa river schemes to the established standards and satisfaction of the scheme advisory committees at a budget of \$1,970,000. An additional \$563,000 of new flood protection measures were constructed for the schemes. Works completed included \$898,000 of approved flood damage repairs following the July 2006 floods.



### Activity: Emergency management

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

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

The Wellington Region CDEM Group met four times in 2006/07. A report on progress with the work programmes in the group's plan was reported to each meeting. Updates were also provided on the group's public education initiatives, which included a campaign for Public Disaster Week (October 2006), an earthquake-related extravaganza at Te Papa over Labour Weekend and an *Are You Prepared* booklet.

To date, our annual survey of the regional community has provided us with robust measures to evaluate the effectiveness of our CDEM activity. It has shown that people are increasingly prepared for emergency events – though there is still a long way to go.



## Safety and flood protection Targets

### Activity: Emergency management (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007 (continued)

67% of households will have emergency food and 71% will have emergency water supplies, within a budget of \$48,000.

A CDEM Recovery Plan will be completed to the satisfaction of the Civil Defence Emergency Management Group.

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

#### Actual

A survey carried out in May/June 2007 showed that 72% of households have emergency food and 71% have emergency water supplies. The cost of the survey was shared by all the local authorities in the region. Greater Wellington's share was \$6,800.

This is now scheduled for completion by June 2008. Two unbudgeted major planning exercises, led by central government, were undertaken during the year. Given the importance of the Recovery Plan, it was decided to defer its completion until more resources became available.

The CDEM Group received and approved a report on progress with the implementation of the Wellington Region CDEM Plan at each of the four meetings of the group held during the year.



## Activity: Harbour management

Levels of service:

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

### Targets

### Actual

#### LONG-TERM targets by 30 June 2016

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

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

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

A draft Port and Harbour Safety Management System has been completed and it is hoped the final version will be adopted in 2007/08.

There were no significant accidents in 2006/07 and our harbour ranger service continues to monitor recreational activity in the harbour. Our communications station at Beacon Hill continues to operate a 24/7 communications service for both recreational and commercial users.

All reported incidents of spills are followed up. We have oil-spill response equipment on call and all relevant organisations (eg, Maritime New Zealand, New Zealand Fire Service) are trained and ready to respond to oil spill emergencies. Several Greater Wellington staff are trained in oil-spill response each year.



## Safety and flood protection Targets

### Activity: Harbour management (continued)

#### Targets

##### SHORT-TERM targets by 30 June 2007 (continued)

Implementation of the Port and Harbour Safety Management System will be carried out within a budget of \$400,000.

The Beacon Hill Harbour Communications Station will provide a 24-hour, 365-day service, which is in accordance with Council-agreed operating standards, within a budget of \$326,000.

Reports of oil spills in harbour waters will be checked within 30 minutes and clean-up action for actual oil spills commenced within one hour of being reported in harbour waters, and within three hours of being reported in regional coastal waters, all within a budget of \$13,000. A formal log will be kept and incidents followed up whenever possible.

Within a budget of \$102,000, safety in our harbours and coastal waters will be maintained by:

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

#### Actual

The Port and Harbour Safety Management System documents and formalises our practices to manage navigational safety effectively. It also integrates CentrePort's operations and policies with our own in a working partnership, primarily focusing on harbour safety. Preliminary work has also been completed on an upgrade to our Communications Station at Beacon Hill. Actual costs were \$46,000.

The Beacon Hill Harbour Communications Station provided a 24-hour, 365-day communication service in accordance with Greater Wellington's specified standards. During the year, additional resources were allocated to running the station. This fulfilled some of our commitment to reduce risks identified in the recent risk assessment of Wellington Harbour. Actual costs were \$430,000.

There were 24 reports of oil spills and all were checked within 30 minutes. Only one incident required some clean-up work. Actual costs were \$7,000.

The Wellington Regional Navigation and Safety Bylaws were updated during the year. The reserved area for jet-skis at Lyall Bay was removed. Additional packs of the booklet *Safe Boating* have been distributed and a number of safety briefings given. There were no significant events reported during the year involving recreational boaters and harbour users. However, some 66 complaints of unsafe boating behaviour were responded to and investigated. A formal log was kept. Actual costs were \$128,000.

## Safety and flood protection Financial summary



147

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Funding statement</b>		
General rate	7,904	7,904
Targeted rate	4,371	4,371
Government subsidies	91	121
Interest and dividends	366	359
Other operating revenue	2,166	2,164
<b>Operating revenue</b>	<b>14,898</b>	<b>14,919</b>
Direct operating expenditure	9,973	9,030
Finance costs	1,947	2,116
Depreciation	1,029	960
<b>Operating expenditure</b>	<b>12,949</b>	<b>12,106</b>
<b>Operating surplus/(deficit)</b>	<b>1,949</b>	<b>2,813</b>
<b>Less:</b>		
Capital expenditure	4,202	6,827
Proceeds from asset sales	73	(77)
Loan funding	(3,057)	(6,043)
<b>Rates funded capital expenditure</b>	<b>1,218</b>	<b>707</b>
Debt repayment	1,894	1,933
Investment additions	343	335
Operational reserve movement	(108)	798
Working capital movements	231	-
Non-cash items	(1,031)	(960)
<b>Net funding required</b>	<b>(598)</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Flood protection	12,620	12,661
Emergency management	713	683
Harbour management	1,565	1,575
<b>Total operating revenue</b>	<b>14,898</b>	<b>14,919</b>

### Operating expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Flood protection	10,204	9,808
Emergency management	736	692
Harbour management	2,009	1,606
<b>Total operating expenditure</b>	<b>12,949</b>	<b>12,106</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Harbours improvements	-	400
Hutt floodplain management plan	9	50
Hutt River improvements	2,329	3,355
Waikanae River improvements	222	230
Otaki River improvements	259	1,481
Wairarapa Scheme improvements	713	885
Other flood protection	303	161
<b>Capital project expenditure</b>	<b>3,835</b>	<b>6,562</b>
Land and buildings	47	20
Plant and equipment	238	100
Vehicles	82	145
<b>Total capital expenditure</b>	<b>4,202</b>	<b>6,827</b>

Capital expenditure was below budget due to a number of projects being delayed while land issues were being resolved. This involved the following projects - Chrystalls extended stopbank, South Waitohu and Whirinaki Crescent stopbanks.







The community group of activities includes our democratic processes, the involvement of Maori in our work, and our contribution to the Wellington Regional Strategy and Westpac Stadium. This group of activities contributes principally to the following community outcomes – *strong and tolerant community*, and *entrepreneurial and innovative region*.

This year, all our information, consultation and decision-making processes complied with our legislative requirements, meaning that our community was empowered to participate in the Council’s decision-making. Getting our democratic processes right is fundamental to the social wellbeing of our community.

The involvement of Maori in our work is vital to the cultural and social wellbeing of our region. Greater Wellington has a strong and effective relationship with tangata whenua and this year the Council has provided iwi with greater opportunities to be involved in its decision making. It has also reviewed its funding arrangements for iwi to ensure better consistency across the region.

The economic wellbeing of our community will be well served by the Wellington Regional Strategy (WRS) – a sustainable economic growth strategy that was developed by all the local authorities in the region, in conjunction with central government and the region’s business, education, research and voluntary sector interests. Its aim is to make greater Wellington “internationally competitive”. This year, Greater Wellington took on the role of keeper of the strategy and established a standing committee with responsibility for its implementation and future development. It also agreed to establish a regional economic development agency to deliver the economic growth initiatives in the WRS.

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

## HOW WE CONTRIBUTE TO COMMUNITY OUTCOMES

### Strong and tolerant community

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

Run elections and pay Councillors.

Arrange and service Council meetings.

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

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

### Entrepreneurial and innovative region

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

Fund the publication of economic data for the region.

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



## Community Targets

### Activity: Run a democratic process

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

The Council undertook its consultation on the Proposed 2007/08 Annual Plan and the Proposed Amendment to the Council's 2006-16 Ten-Year Plan (LTCCP) in accordance with the special consultative procedure of the Local Government Act 2002. Seventy-eight submissions were received, and 22 submitters appeared at the hearing of submissions.

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

Meeting arrangements, including public notification, were made in accordance with the requirements of the Local Government Information and Meetings Act 1987, and the Council's standing orders. All order papers were sent to members at least two clear working days before the day of each meeting, and were publicly available at least two working days before each meeting.



**Activity: Run a democratic process** (continued)

**Targets**

**Actual**

**SHORT-TERM targets by 30 June 2007** (continued)

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

Council decision-making was undertaken in accordance with statutory requirements and the Council's standing orders.

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

Consultations on the Council's Proposed 2007/08 Annual Plan and the Proposed Amendment to the Council's 2006-16 Ten-Year Plan were undertaken in accordance with the special consultative procedure of the Local Government Act 2002.

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

Public notice of meetings was given in accordance with the requirements of the Local Government Official Information and Meetings Act 1987, and the Council's standing orders.

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

Order papers were made available for public inspection at least two working days before the meeting, consistent with the requirements of the Local Government Official Information and Meetings Act 1987 and the Council's standing orders.



## Community Targets

### Activity: Involve Maori in work

Levels of service:

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

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

Greater Wellington has continued to maintain and improve its relationships with the region's iwi. Ara Tahi, Greater Wellington's inter-iwi representative group, is operating well. A number of workshops and training fora have been held to increase the knowledge and understanding of councillors, staff and iwi. For example, Councillors held a workshop with the Office of Treaty Settlements to discuss Waitangi Tribunal settlements in our region. Ara Tahi nominated one person who was appointed to represent cultural interests on the Regional Land Transport Committee and the chairperson of Ara Tahi is an appointed member of the Environment Committee.



## Activity: Involve Maori in work (continued)

### Targets

#### SHORT-TERM targets by 30 June 2007

Ara Tahi will meet six times, within budget.

Iwi will be assisted to undertake projects under relevant contracts within budget.

### Actual

Ara Tahi met six times, five times in Wellington and once in Masterton, providing policy advice to the Council. Four iwi technical workshops were held during the year, three of which were on the review of the Regional Policy Statement. The other was a Hui a Ara Tahi where iwi representatives discussed their strategic involvement in Greater Wellington-related matters. Actual costs were \$44,800 against a budget of \$43,000.

Greater Wellington supports iwi to undertake projects that have mutual benefits and also assists iwi to become more involved in managing our natural resources. This year, Rangitane o Wairarapa was resourced to enable effective iwi and hapu involvement in the upgrade of the New Zealand Archaeological Association's database. Iwi involvement in this process led to a near 100% capture of sites in the South Wairarapa coastal area. Upgrades of this nature typically have a strike rate of 40% to 50%. Actual costs were \$5,500 within a budget of \$80,000.



## Community Targets

### Activity: Participate in the Wellington Regional Strategy forum

Levels of service:

- 1 Work with city and district councils to develop and implement a Wellington Regional Strategy (WRS)
- 2 Fund the publication of economic data for the region

#### Targets

#### Actual

##### LONG-TERM targets by 30 June 2016

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

During the year, Greater Wellington took on the role of keeper of the WRS. Both the Greater Wellington Governance proposal and the draft WRS were taken through a special consultative procedure. The outcome of the consultation was a decision to confirm the governance model that included Greater Wellington establishing a Wellington Regional Strategy Committee with membership from the region's local authorities, along with five non-government members. Also agreed was the establishment of a regional economic development agency to deliver the economic development initiatives in the strategy. The WRS itself was confirmed with modifications.

##### SHORT-TERM target by 30 June 2007

Greater Wellington will continue to provide staff resources for the WRS.

Greater Wellington provided staff resources to support the Wellington Regional Strategy Committee, working collaboratively with the territorial authorities in the region.

Greater Wellington will facilitate iwi involvement in the WRS.

Ara Tahi, Greater Wellington's inter-iwi representative group, facilitated iwi involvement in the WRS.

## Community Financial summary



155

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Funding statement</b>		
General rate	2,719	2,719
Targeted rate	2,676	2,676
Government subsidies	-	-
Interest and dividends	11	11
Other operating revenue	2,598	2,481
<b>Operating revenue</b>	<b>8,004</b>	<b>7,887</b>
Direct operating expenditure	5,251	4,407
Finance costs	2,050	1,636
Depreciation	17	19
<b>Operating expenditure</b>	<b>7,318</b>	<b>6,062</b>
<b>Operating surplus/(deficit)</b>	<b>686</b>	<b>1,825</b>
<b>Less:</b>		
Capital expenditure	5	45
Proceeds from asset sales	-	-
Loan funding	(164)	-
<b>Rates funded capital expenditure</b>	<b>(159)</b>	<b>45</b>
Debt repayment	731	986
Investment additions	-	-
Operational reserve movement	91	91
Working capital movements	(44)	-
Non-cash items	235	703
<b>Net funding required</b>	<b>(168)</b>	<b>-</b>

### Operating revenue

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Run a democratic process	4,000	3,899
Involve Maori in our work	490	490
Participate in the Wellington Regional Strategy forum	588	100
Contribution to the Regional Stadium	2,926	3,398
<b>Total operating revenue</b>	<b>8,004</b>	<b>7,887</b>

### Operating expenditure

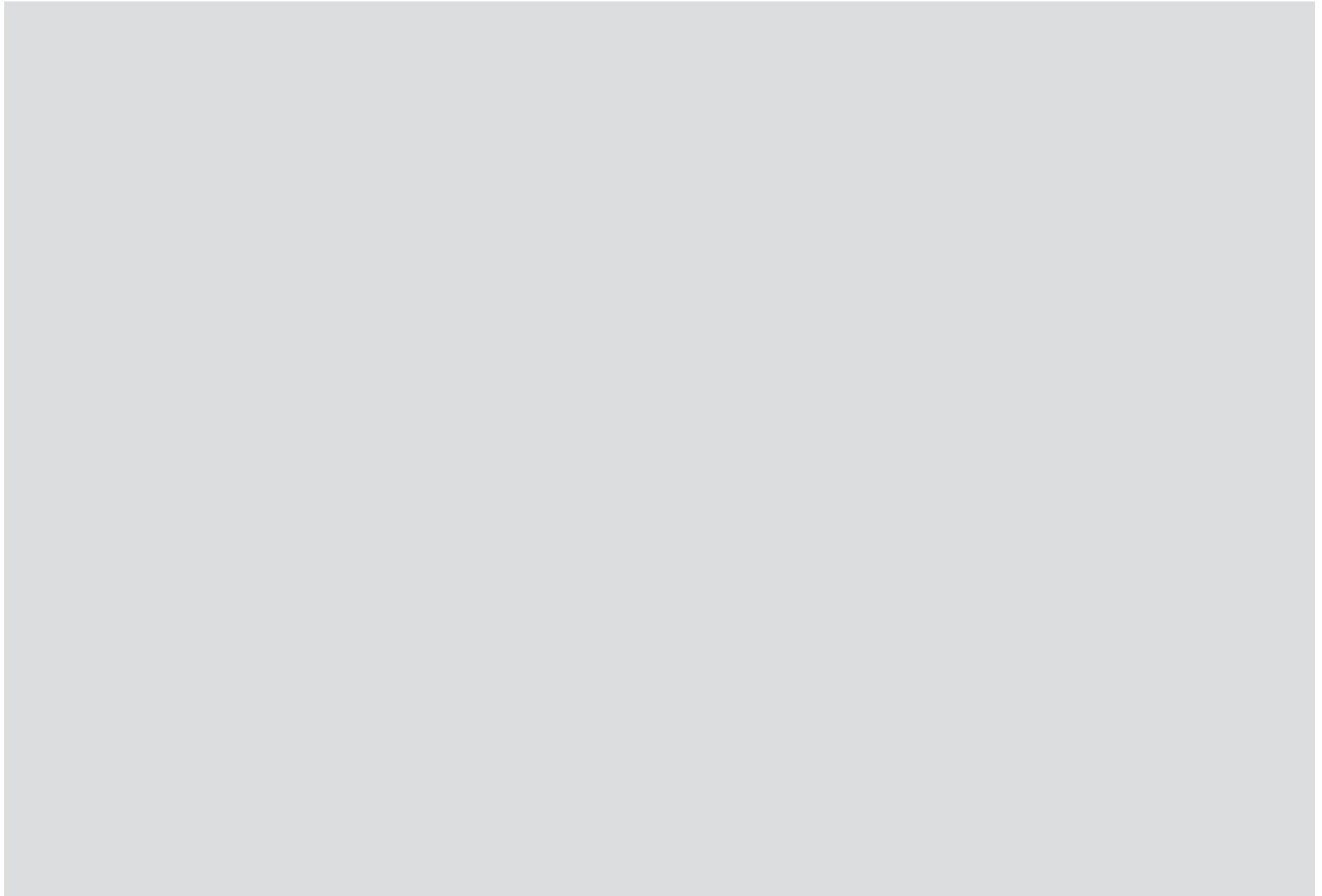
	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Run a democratic process	3,914	3,782
Involve Maori in our work	490	490
Participate in the Wellington Regional Strategy forum	809	100
Contribution to the Regional Stadium	2,105	1,690
<b>Total operating expenditure</b>	<b>7,318</b>	<b>6,062</b>

### Capital expenditure

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
Land and buildings	-	-
Plant and equipment	5	45
Vehicles	-	-
<b>Total capital expenditure</b>	<b>5</b>	<b>45</b>

Operating revenue and expenditure are higher than budget as a result of Greater Wellington undertaking the Wellington Regional Strategy on behalf of the territorial authorities.







## Investment overview

Greater Wellington has a significant portfolio of investments comprising:

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

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

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

## Liquid financial deposits

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

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



### Administrative properties

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

### Forestry and business units

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

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

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

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

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

### Advance to Wellington Regional Stadium Trust

Greater Wellington advanced \$25 million to the Wellington Regional Stadium Trust in August 1998. The advance is currently on an interest-free basis, with limited rights of recourse recognising the "quasi equity" nature of the advance. Under the International Financial Reporting Standards this advance has been written down to \$3.9 million as at 30 June 2007.

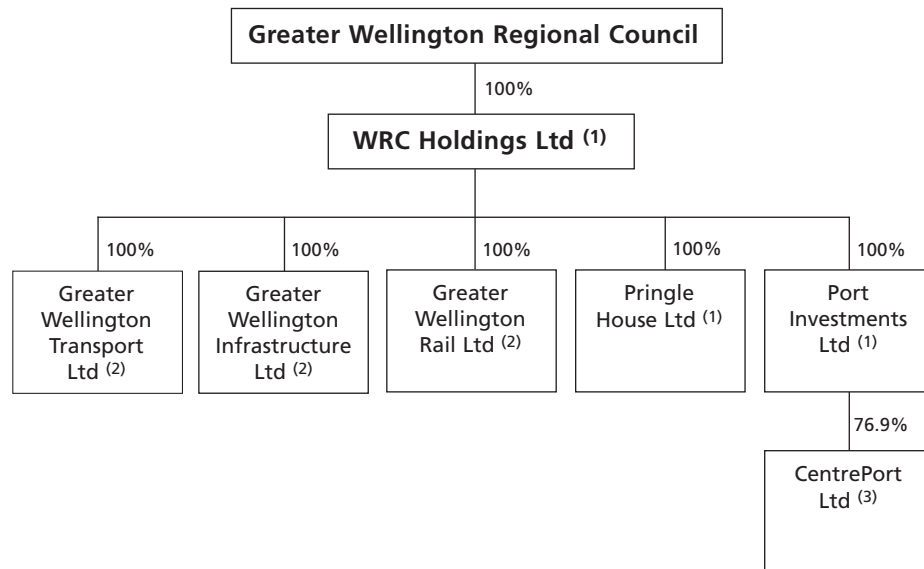
### Greater Wellington's internal treasury function

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



### Equity investments in the WRC Holdings Group

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



- (1) Council Controlled Trading Organisation in accordance with the Local Government Act 2002.
- (2) Council Controlled Trading Organisation in accordance with the Local Government Act 2002. These companies were incorporated on 3 August 2006.
- (3) Commercial Port Company pursuant to the Port Companies Act 1988 and not a Council Controlled Organisation in accordance with the Local Government Act 2002.

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

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

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

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

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

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

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



## Investments WRC Holding Group

### Objectives of the Group

The primary objectives of the Group as set out in the 2006/07 Statement of Intent (SOI) were to:

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

The financial objectives of the Group shall be to:

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

The environmental objectives of the Group shall be to:

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

The social objectives of the Group are to:

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

The WRC Holdings Group met all its objectives as set out in the 2006/07 SOI and Greater Wellington's 2006-2016 Long-Term Council Community Plan (LTCCP).

The nature and scope of activities undertaken by WRC Holdings are consistent with those set out in the 2006/07 SOI and Greater Wellington's LTCCP.

### Directors

Ian Buchanan (Chairman)  
Margaret Shields  
Terry McDavitt

Rick Long  
Anne Blackburn  
Peter Blades



### Financial performance targets

	Actual 2007	Target 2007
Net profit before tax	\$8.9m	\$4.9m
Net profit after tax	\$19.2m	\$3.2m
Return on total assets	6.1%	4.6%
Return on shareholder equity (excludes any increase in the value of investment property)	4.3%	0.9%
Return on shareholder equity (includes any increase in the value of investment property)	13.7%	
Dividends	\$ 0.1m	\$ 0.5m

#### Net profit before tax

The Group posted a net profit before tax, before any increases in the value of investment property and land, and changes in the fair value of financial instruments, of \$8.9 million compared to the budget of \$4.9 million for the year.

#### Net profit after tax (before deduction of minority interest)

The net profit after tax measure includes a \$14.5 million (2006 \$12.9 million) increase in the net current value of the Group's investment properties and land.

#### Return on total assets

This target is calculated as earnings before interest and tax (EBIT) and expressed as a percentage of average total assets. The asset base has increased following annual asset valuations, thereby increasing the base used to calculate the ratio.

#### Return on shareholder equity

Return on shareholder equity is calculated as net profit after tax (after deduction of minority interest) as a percentage of average shareholder equity (excluding minority interest). The measure is shown both before and after any increase in the value of investment properties. Average parent shareholder equity has also increased due to the revaluation of assets.

#### Dividends paid (or payable to the parent shareholder)

Dividend payments decreased due to increases in interest rates.



## Investments WRC Holding Group

### Activity: Environmental performance targets

#### Targets

#### Actual

<p>CentrePort Ltd (CPL) to comply with AS/NZS 14000: Environmental Management Standards.</p>	<p>CPL has established environmental management systems that incorporate separate formal environmental management and emergency management plans in accordance with AS/NZS ISO 14001:2004. The Health, Safety and Environment Board Committee reviews CPL's environment performance regularly.</p>
<p>CPL to promote the introduction into the district and regional coastal plans of the principles of NZS 6809:1999 Acoustics – Port Noise Management and Land Use Planning.</p>	<p>CPL continues to work with the respective local bodies to ensure that the district and regional plans include the principles of the port noise-management standard. CPL's Port Noise Management Plan has been submitted to the respective planning authorities (WCC and GWRC) to ensure that these are included in the public consultation process.</p>
<p>CPL will hold a minimum of three environmental consultative committee meetings comprising CPL and affected stakeholders.</p>	<p>CPL holds regular Environmental Consultative Committee meetings with representatives of the wider community interest groups, though only one meeting was held during 2006/07 due to insufficient issues to warrant additional meetings.</p>
<p>The group to comply with all conditions under resource consents and permits held, and full adherence to the requirements of environmental law generally.</p>	<p>All consents and permits have been complied with and a renewal of the Burnham Wharf Noise consent was granted during the year.</p>
<p>Maintain an environmental issues register of environmental complaints for monitoring and actioning purposes. The register to be reported to CPL's Health, Safety and Environment Committee.</p>	<p>Achieved.</p>



## Activity: Social performance targets

### Targets

### Actual

<p>CPL to maintain tertiary level of compliance with the ACC Workplace Safety Management Practices Programme and comply with the AS/NZS 4801: Occupational Health and Safety Management Systems.</p>	<p>CPL conducts biannual ACC audits, with the next scheduled in November 2007. CentrePort currently holds a tertiary level of compliance.</p>
<p>CPL to maintain compliance with the International Ship and Port Security (ISPS) Code, which promotes security against terrorism within the port environment.</p>	<p>Achieved. Audited in 2006 and passed.</p>
<p>CPL to undertake risk assessments and implement any mitigating procedures relating to the Port and Harbour Safety code, which promotes safety and excellence in marine operations.</p>	<p>In line with the findings of the Port and Harbour Safety Code Navigational Risk Assessment, CPL is continuing to work through an action plan that prioritises mitigating strategies for risks identified in the assessment. The building of a new tug was commissioned in 2007 to address the tug power risk identified in the assessment.</p>
<p>Undertake a level of sponsorship appropriate to CPL.</p>	<p>CPL engages in a wide range of community sponsorships, ranging from business groups to specific community projects and endeavours. Spending in 2006/07 amounted to \$115,000.</p>
<p>Meet regularly with representative community groups of CPL.</p>	<p>CPL participates in a number of community working groups, such as the Environmental Consultative Committee, transport-advisory bodies and chambers of commerce.</p>
<p>To hold more port tours for community groups.</p>	<p>The International Ship and Port Security (ISPS) Code makes the provisions of port tours difficult. Notwithstanding, a small number of tours for stakeholders and community groups have been conducted over the past 12 months.</p>





## Investments WRC Holding Group

### Activity: General performance targets

#### Targets

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

#### Actual

Shareholders received the Statement of Intent and were satisfied with the current performance targets



## Company objectives

The company's primary objectives as set out in the 2006/07 Statement of Corporate Intent (SCI) shall be to:

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

The financial objectives of the company shall be to:

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

The environmental objectives of the company shall be to:

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

The social objectives of the company shall be to:

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

## Directors

N J Gould (Chairperson)

D J Benham

E M Johnson

W A Larsen

J G Jefferies

R M Peterson

R Janes



### Financial performance targets

The following table lists performance against targets set in CentrePort 2006/07 Statement of Corporate Intent (SCI). Comparison against targets is provided, excluding and including revaluation gains on investment properties and financial instruments (as the SCI did not anticipate changes in asset values).

	<b>2006/07 Actual excluding valuation changes <sup>(3)</sup></b>	<b>2006/07 Actual including valuation changes <sup>(3)</sup></b>	<b>2006/07 SCI Target</b>
Net profit before tax, excluding revaluation gains	\$12.4m	\$23.6m	\$7.6m
Net profit after tax	\$8.0m	\$19.2m	\$5.6m
Return on total assets <sup>(1)</sup>			
– Port	6.3%	7.5%	5.7%
– Investment properties	5.4%	14.7%	4.7%
– Overall	6.6%	10.7%	5.2%
Return on shareholders' funds <sup>(2)</sup>	4.6%	10.7%	3.5%
Dividend	\$3.6m	\$3.6m	\$3.6m
Dividend % of net profit after tax	45%	19%	64%

<sup>(1)</sup> Net profit before interest and tax as a percentage of average total assets.

<sup>(2)</sup> Net profit after tax as a percentage of average shareholders' funds.

<sup>(3)</sup> Valuation changes include a revaluation of investment property and land available for development of \$11.2m.

## Investments Financial summary



167

	Council 2007 Actual \$000s	Council 2007 Budget \$000s
<b>Income Statement</b>		
Operating revenue	18,093	17,672
Operating expenditure	11,010	11,538
<b>Earnings before interest</b>	<b>7,083</b>	<b>6,134</b>
Interest	(2,966)	(2,481)
<b>Operating surplus/(deficit)</b>	<b>10,049</b>	<b>8,615</b>
<b>Less:</b>		
Contribution to general rates	7,698	7,698
<b>Earnings retained</b>	<b>2,351</b>	<b>917</b>
<b>Operating surplus of individual investments</b>		
Liquid financial deposits	2,737	3,410
WRC Holdings	571	758
Treasury management	8,290	3,635
Forestry	(1,195)	708
Business units and property	(354)	104
<b>Operating surplus</b>	<b>10,049</b>	<b>8,615</b>