

Environment

We aim to protect and enhance the city's natural environment – its air, water, land, plant and animal life.

This means ensuring that natural resources are used sustainably, in a way that ensures they can meet our current needs and the needs of future generations. It also means protecting the environment from the negative effects of urban development and economic activity.

Wellington has been shaped by nature. Its hills, harbour, coastline, and parks and reserves together give the city its unique character. Nature is also integral to many of the city's most important visitor attractions, from Te Papa to the Karori Wildlife Sanctuary to the city's world-class botanical gardens. Residents' future prosperity and well-being depend on our ability to protect and enhance the city's natural features.

Our roles include looking after reserve and coastal land and botanical gardens, funding conservation-based attractions, providing drinking water, disposing of stormwater and sewage, disposing of rubbish, and working to minimise waste.

THE OUTCOMES WE'RE SEEKING

Our long-term aims are to make Wellington:

- More liveable – providing a wide range of recreation opportunities in the great outdoors
- Have a stronger sense of place – people will value and protect the city's natural heritage
- Better connected – a network of green spaces and corridors will link the coast and bush areas
- More engaged – the community will feel a sense of kaitiakitanga/guardianship over the natural environment
- More sustainable – the city will reduce its impact on the environment through more efficient use of resources such as energy, water, land and other resources, and by minimising waste
- Safer – water will be safe to drink, air safe to breathe, and waste will be disposed of in ways that minimise harm
- Healthier – natural ecosystems will be restored so there are healthy habitats for indigenous and non-indigenous plants and animals
- More competitive – a high quality natural environment will attract residents, visitors and businesses.

STATE OF THE CITY

Wellington is literally surrounded by nature.

In all, the city has more than 35 square kilometres of reserve land, as well botanic gardens, beaches and coastline. It's our job to look after these areas, protecting the environment while also providing for a wide range of recreational uses. These areas are well used – in our February resident survey, 74% said they'd visited town belt or reserve land during the previous year, and 79% said these areas were well looked after. Over the past two years, access to the Town Belt and Outer Green Belt has improved with a dramatic increase in the length of walkways and tracks we're maintaining – from 168 kilometres to 365.

The amount of reserve land has grown by more than three square kilometres in the last two years. However, with population growth, there has been a slight decrease in the amount of reserve land *per person*.

Nature-based attractions continued to be highly popular. More than 65,000 people visited the Karori Sanctuary and more than 160,000 visited the zoo.

Wellingtonians are taking responsibility for protecting the city's environment.

Almost 90% of Wellington households use the city's recycling service, and similar numbers re-use plastic containers and bags. About half compost and take recyclables to transfer stations. A growing number are taking steps to avoid using plastic bags – 43%, up from 32% two years ago.

Many Wellingtonians are careful to avoid contaminating stormwater. Steps people are taking include washing the car on the lawn, washing brushes in an inside sink, disposing of paints, oils and chemicals appropriately, and pouring household liquid waste down an inside sink or gully trap rather than a stormwater drain.

During the year, volunteers from environment groups worked more than 7,500 hours on programmes such as Project Kaiwharawhara restoring the Kaiwharawhara Stream's environs. The contribution made by volunteers has steadily increased in recent years.

We're recycling more and dumping less waste.

The amount of waste sent to landfills has fallen by more than one fifth – from almost 500kg per person in 2004/05 to 388kg this year. However, the amount of water we use has increased – from 165,400 litres per person two years ago to almost 174,000 now. That's equivalent to a total of 476 litres per person per day.

We use information from the Greater Wellington Regional Council to keep track of air quality in one central city location, at the corner of Vivian and Victoria Streets. Results for 2006 were within acceptable regional and national air quality guidelines. Water quality in three of the city's streams – Karori, Makara and Kaiwharawhara – is rated as 'fair'. We also keep counts of the number of birds in selected species. Over the past few years there's been no clear trend, with some species such as tui, grey warbler and bellbird being sighted more often while other species such as fantail being sighted less often.

We still face several significant environmental challenges.

We need to use water and energy more efficiently – to reduce the risk of water supplies running out and to reduce our contribution to global climate change. During 2006, the city used 1,645,000MWh of electricity – an average of 9.1MWh of electricity per resident. We also need to reduce the amount of waste we produce, and ensure that waste is disposed of in ways that cause the least possible harm. We're also looking to more effectively protect the region's streams and waterways.

THREE-YEAR PRIORITIES

For the period 2006–09, we've identified the following four priorities for our contribution to the city's environmental well-being. These priorities are important stepping stones towards our long-term outcomes.

- We will increase our promotion of water and energy efficiency and conservation, energy security, and the use of renewable energy sources, and it will take a more active leadership role in these areas.
- We will increase our efforts to improve the protection of streams.
- We will develop a coherent plan to address biodiversity issues, including removing and replacing hazardous trees.
- We will strengthen our partnerships with stakeholders to increase environmental awareness, community participation, and the achievement of environmental goals.

LOOKING AHEAD

As explained on page **XXX**, a draft Biodiversity Plan was developed during the year and public input was sought. Progress was also made on the other strategic priorities. Improving energy and water efficiency will require ongoing work, as will improving the ecology of the city's streams. We also fell short of our targets on two stormwater quality measures, suggesting more work may be needed to educate residents about the importance of protecting the region's waterways from contaminated runoff.

ENVIRONMENT

Gardens and beaches

Wellington's parks, gardens and coastline are a natural playground. These areas need to be cared for in ways that balance nature with opportunities for enjoyment.

From the rugged south coast to Oriental Bay, from the peace of Otari to the elegance of the city's botanic rose gardens, Wellington's parks, gardens and coastal areas provide locations for relaxation, enjoyment, and community/entertainment events. As natural gathering places, they are important for social cohesion. We aim to ensure that the city continues to offer high-quality outdoor environments that are attractive, accessible, and enhance the city's unique 'sense of place'.

We look after the city's parks and gardens, including the Wellington Botanic Garden, Otari Wilton's Bush, Bolton Street Memorial Park, Truby King Park, and many other reserve areas. These areas provide beautiful, high-quality venues for recreation and community festivals/events. The Wellington Botanic Garden alone has more than 1.3 million visitors a year. We also looked after the city's beaches and coastline, from the wild south coast to Oriental Bay.

WHAT WE DID

Otari-Wilton's Bush turned 100. It remains the country's only botanic garden dedicated solely to native plants.

In 1906, the government of the day set aside the first 55 hectares of the Otari nature reserve. We took over ownership and management of the reserve in 1918, and in 1925 Wilton's Bush was added. In 1926, it was officially opened as the Otari Open Air Plant Museum.

Otari-Wilton's Bush now has 100 hectares of native forest – including some trees that are hundreds of years old – and five hectares of plant collections. The Royal New Zealand Institute of Horticulture has recognised Otari-Wilton's Bush as a garden of national significance.

Events were held throughout the year to mark the centenary, including guided walks, photography, and poetry events. A highlight was the BioBlitz in March 2007, which brought scientists from around the country together with students and members of the public with the aim of counting as many native species as possible in 24 hours. More than 1,300 species were found, including new species of cave weta, fungi and weed. The event was so successful Council is supporting the concept of a marine Bioblitz for Wellington's south coast in the coming year.

Throughout the year, we continued to manage and maintain Otari-Wilton's Bush with help from volunteers through the Otari-Wilton's Bush Trust. We completed a new management plan setting priorities for the next 10 years. As well as preserving Otari's status as the country's leading native botanic

garden and continuing its valuable conservation work, we aim to increase public awareness about native plants and encourage use of the reserve by residents and visitors to the city.

Work carried out at Otari-Wilton's Bush during the year included installation of a new toilet block at the Troup picnic lawn, upgrade of a section of the Kaiwharawhara Trail, and extension of the Circular Walk across the North picnic lawn.

The botanic gardens continued to be very popular venues.

Events such as Summer City and Spring Festival – especially Tulip Sunday – remained very popular with residents.

During the year:

- we began a renewal programme for park furniture such as seats, signs and rubbish bins
- work began on restoring the historic Sexton's Cottage in Bolton Street Memorial Park in preparation for an Asian artist in residency program – built in 1857, the cottage is one of Wellington's oldest buildings
- in Bolton Street Memorial Park, 10 headstones were refurbished.

The gardens and our Berhampore Nursery made valuable contributions to protecting native plants. The nursery grows around 90,000 plants each year for use in parks, gardens and open spaces. In May 2007, it held its annual open day and plant sale.

We completed plans for upgrades of Scorching Bay, the Owhiro Bay Quarry site and Tinakori Hill.

The long-term landscaping for Tinakori Hill focuses on improving the entrances, signs, viewing points and the track network including a possible new mountain bike route. We plan to complete this work in the coming year.

We strengthened the heritage seawall in Island Bay. An extended seawall to control erosion is an important part of the Scorching Bay upgrade, to be carried out in the second part of 2007. Other features include a new paved shower area, a playground climbing structure, additional seating, and landscaping with native plants. We completed the designs for this during the year.

The Owhiro Bay plans include a new shelter/toilet block with a picnic deck, pathways for pedestrians and cyclists, and landscaping with native and coastal plants.

We carried out rock work to control erosion and completed a new track on Cobham Drive Beach. This completed a four-year project to upgrade the coastal edge. Our beach and coastline work also included dune protection, planting, erosion control and maintenance of boat ramps, slipways and jetties.

HOW WE PERFORMED

LOCAL PARKS AND OPEN SPACES (4.1.1)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Visitation – how often during the last 12 months have you used a WCC park. (Source: WCC Resident Satisfaction Survey)	-	-	76% (at least once)	90% (at least once)	Although the visitation target was not met, nearly nine out of ten users rate the quality and maintenance of our parks as good or very good, exceeding our target.
2. Users (%) who rate the quality and maintenance of WCC parks as good or very good. (Source: WCC Resident Satisfaction Survey)	-	-	87%	80%	Both are new measures for 2006/07. We will monitor visitation numbers and perceptions of quality and maintenance over coming years.
BOTANIC GARDENS (4.2.1)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Visitation – how often during the last 12 months have you visited our botanic gardens. (Source: WCC Resident Satisfaction Survey)	-	-	73% (at least once)	80%	Our target for the visitation to the Botanic Gardens was not met. Unfortunately information assessing the quality of the plant collection was not available. Data collection issues have been resolved, and we expect information to be available in the future.
2. The percentage of plant collection held by the botanical gardens that meet defined plant 'performance standards'. (Standards measure the health and quality of the plant collection.) (Source: WCC Parks and Gardens)	-	-	Not available	90%	
BEACHES AND COASTAL OPERATIONS (4.2.2)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Visitation – how often during the last 12 months have you used the city's wharves, jetties, boat ramps or visited its beaches. (Source: WCC Resident Satisfaction Survey)	-	-	86% (at least once)	75%	The vast majority of residents surveyed stated they had used beaches and coastline (and facilities) during the year, surpassing our target. Of those users, most rate cleanliness and maintenance of the city's coastline as good or very good, broadly in line with our target. Both are new measures for 2006/07. We will monitor these over the coming years and in turn review our targets.
2. The percentage of users who rate the cleanliness and maintenance of the city's coastline and beaches as good or very good. (Source: WCC Resident Satisfaction Survey)	-	-	84%	85%	

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Local parks and open spaces (4.1.1)¹				
Expenditure	6,588	6,297	(291)	6,461
Revenue	(512)	(490)	22	(358)
Net expenditure	6,076	5,807	(269)	6,103
Botanic gardens (4.2.1)²				
Expenditure	3,853	3,660	(193)	3,652
Revenue	(490)	(461)	29	(433)
Net expenditure	3,363	3,199	(164)	3,219
Beaches and coast operations (4.2.2)				
Expenditure	852	882	30	865
Revenue	(67)	(65)	2	(60)
Net expenditure	785	817	32	805
CAPITAL EXPENDITURE (\$000)				
Local parks and open spaces (4.1.1)				
Actual cost	1,127	1,120	(7)	5,666
Budget to carry forward to 2007/08	-	173	173	1,254
Botanic gardens (4.2.1)				
Actual cost	916	874	(42)	701
Budget to carry forward to 2007/08	-	-	-	235
Beaches and coast operations (4.2.2)³				
Actual cost	592	545	(47)	240
Budget to carry forward to 2007/08	-	1,059	1,059	215

¹ The increase in operating costs is due to weather events in 2006.

² The increase in operating costs is due to increased depreciation resulting from the asset revaluation.

³ Some capital works in Scorching Bay are occurring later than budgeted.

ENVIRONMENT

Green open spaces

Wellington is one of New Zealand's 'greenest' cities.

One-eighth of Wellington's area is reserve land, much of it rugged and covered in bush. This land, protected for generations, is a vital part of Wellington's landscape. It contributes to the city's identity, and offers opportunities – within minutes of downtown – for walking, mountain biking and other outdoor recreation.

We look after the city's 34.7 square kilometres of Wellington Town Belt, Outer Green Belt and other reserve land. This work includes maintaining heritage buildings on reserve land, protecting native ecosystems by controlling weeds and pest animals on open space land, removing exotic trees that may be in danger of falling during storms, and gradually extending the amount of open space land planted in native species. It also includes maintaining 1,200km of roadside reserve land, and cleaning city and residential streets.

Our long-term vision is to substantially improve the natural biodiversity on Wellington Town Belt, Outer Green Belt land and throughout the city. We aim to protect reserve areas from development, restore native ecosystems, provide opportunities for enjoyment that do not compromise environmental values, and maintain reserve areas in ways that enhance the city and make it more attractive for residents and visitors.

We recognise that the key to protecting the city's open spaces is for Wellington residents to feel a sense of kaitiakitanga/guardianship over those spaces, and we aim to foster that feeling by sharing information and supporting volunteer/community initiatives.

WHAT WE DID

We're working on a plan to preserve and enhance the city's biodiversity.

A considerable amount has been done in Wellington over the last 10 years to help restore and create areas of bush, rid the city of possums, and increase native bird numbers. Our new biodiversity action plan aims to keep it that way. Public input is being sought and implementation is expected in 2007/08.

The plan outlines what's been done to restore and protect streams, coast and bush areas, and what still needs to be done. Key priorities include pest management, protecting and restoring representative native ecosystems, protecting biodiversity on private land, strengthening partnerships with the community and other organisations working to protect biodiversity, and research to get a better picture of the current state of our biodiversity. Public input is being sought and implementation is expected in 2007/08.

“We have an extraordinary number of different species, from little blue penguins and giant weta to mistletoes and huge forest trees... We are looking to protect what we have and restore habitats that have been damaged.” – Paul Andrews – Manager Parks and Gardens.

We bought 70 hectares of ridge top farmland to extend the Outer Green Belt.

The land was part of Otari farms, formerly owned by Meridian Energy. Its purchase guarantees public access to a 3km section of the Skyline Walkway, a ridge top walkway between Makara Peak and Mt Kaukau. The purchase also protects areas of bush on the land – these have been fenced.

Meridian Energy sold another 330ha of Otari Farms to a private buyer, who will continue to farm the property. Public access will be allowed over a small stretch of the private land.

We made a commitment to improve public access to green belt areas by expanding and upgrading our track network.

More than 300km of tracks extend throughout the city's open space areas. The tracks network is made up of 160km of walking tracks, 25km of mountain bike tracks, 14km of four-wheel-drive tracks, and 100+ kilometres of dual use tracks. Our 2007/08 Annual Plan committed additional funds for a long-term expansion of the network.

During the year, we constructed a 1.5km dual-use track from Colchester Crescent in Newlands down into Seton Nossitor Park. The main routes in Makara Peak Mountain Bike Park were resurfaced. Signs were installed on the perimeter track around Karori Sanctuary and on the Te Araroa Walkway from the Cable Car to Porirua via the Outer Green Belt and Spicer Forest.

Looking after the city's open spaces is a community activity. Hundreds of volunteers played key roles.

Some look after the roadside reserve near their home. Others carry out vital work looking after streams and other areas of reserve, and some carry out environmental projects that enhance the city. During the year, 48 community groups planted more than 14,000 eco-sourced native plants on Council reserves.

We provide grants for projects that benefit the city's environment, promote sustainability, raise awareness of environmental issues, or otherwise contribute to our environmental objectives. During the year, there were 22 applications for environmental grants, of which 11 were successful. Of a grant pool of \$80,000, a total of \$67,750 was allocated. Successful applicants included the Sustainability Trust, Otari-Wilton's Bush Trust, and the Royal Forest and Bird Protection Society.

We also funded environmental education in five Wellington schools through the EnviroSchools programme.

Other highlights for 2007/08 included:

- continuing our restoration work within the Kaiwharawhara catchment area, including the building of more fish ladders to enable native species to get upstream from Trelisick Park
- completing the new skills area and installing toilets and entrance map boards at the Makara Peak Mountain Bike Park
- removing almost 3 hectares of hazardous pine trees on Town Belt land
- planting more than 55,000 eco-sourced native plants in 43 sites through the city including Seton Nossitor Park, Edward Wilson Park and the Chest Hospital on Mt Victoria
- plans were made for landscaping and upgrade of Tinakori Hill, and public input was sought.

Weed control work was carried out in four ecological areas on the south coast, and in several parks and reserves including Otari-Wilton's Bush, Khandallah Park, Tyers Stream Reserve, Seton Nossitor Park, and Trelisick Park. In a joint project with the Greater Wellington Regional Council, we controlled possums on over 2000 hectares of reserve land. Four garden dumping sites, which had been cleaned up in early 2006, were replanted.

HOW WE PERFORMED

TOWN BELTS (4.2.3)	2004/05	2005/06	2006/07	TARGET	COMMENTS										
1. Total area of restorative planting carried-out during the year. (Source: WCC Parks and Gardens)	5.9	4.7 hec	6 hec	4 hec	We exceeded our target with 6.0 hectares of restorative planting in open spaces that we administer.										
2. Visitation – how often during the last 12 months have you visited either the Town Belt or Outer Green Belt. (Source: WCC Resident Satisfaction Survey)	-	-	59% (at least once)	60% (at least once)	Town Belt visitation and perceptions of cleanliness and maintenance were in-line with our targets.										
3. Users (%) who rate the cleanliness and maintenance of the Town Belt and Outer Green Belt as good or very good. (Source: WCC Resident Satisfaction Survey)	-	-	84%	85%											
COMMUNITY ENVIRONMENTAL INITIATIVES (4.3.1)	2004/05	2005/06	2006/07	TARGET	COMMENTS										
1. WCC-supplied native plants that are planted by community groups and residents. (Source: WCC Parks and Gardens)	-	-	25,422	24,000	We provided over 25,000 native plants for planting by community groups and residents, which met our target.										
2. Total number of grant applicants; Total number of applicants receiving grants; Total budget allocated to grants. (Source: WCC Grants)	<table border="1"> <thead> <tr> <th colspan="2">ENVIRONMENTAL GRANTS</th> </tr> </thead> <tbody> <tr> <td>Total number of grant applicants</td> <td>22</td> </tr> <tr> <td>Number of applicants receiving grants</td> <td>11</td> </tr> <tr> <td>Total budget available to applicants</td> <td>\$80,000</td> </tr> <tr> <td>Total budget distributed to applicants</td> <td>\$67,750</td> </tr> </tbody> </table>				ENVIRONMENTAL GRANTS		Total number of grant applicants	22	Number of applicants receiving grants	11	Total budget available to applicants	\$80,000	Total budget distributed to applicants	\$67,750	All grants from our environmental grants pool were distributed in-line with our eligibility criteria.
ENVIRONMENTAL GRANTS															
Total number of grant applicants	22														
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4.4.1 WALKWAYS	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Users (%) who rate the maintenance and quality of open space walkways and track network as good or very good. <i>(Source: WCC Resident Satisfaction Survey)</i>	-	-	87%	80%	The vast majority of users rate the maintenance and quality of the walkways and track network as good or very good. This is a new measure - we will monitor results over the coming years and in turn review our target.
2. WCC open space walkways and track network (%) that meets the required 'quality service standard'. <i>(Source: WCC Parks and Gardens)</i>	-	-	Not available	80%	Unfortunately information assessing the 'quality service standards' for walkways and track network was not available. Data collection issues have been resolved, and we expect information to be available in the future.
STREAM PROTECTION (4.7.1)	PERFORMANCE – COMMENTS				
Development and implementation of 'Stream protection programme' – achievement of key milestones. <i>(Source: WCC Parks and Gardens)</i>	We have had a busy year developing and implementing the 'stream protection programme'. Restoration work within the Kaiwharawhara catchment is continuing. Work during the year has included: <ul style="list-style-type: none"> ▪ Fish passages at the Blackbridge Road site and the confluence of the Kaiwharawhara and Korimako have been completed ▪ Planting at the Blackbridge Road site has been carried out ▪ Small Project Kaiwharawhara signs have been put in place to complement the 3 large signs erected in 2005 ▪ Other planting has occurred by the Council and community groups throughout the catchment A review of the effectiveness of Project Kaiwharawhara and its applicability to other catchments is underway.				
4.7.2 PEST AND ANIMAL MANAGEMENT	2004/05	2005/06	2006/07	TARGET	COMMENTS
Key native eco-systems with active "Pest Management Plans (animal and plant)" in operation. <i>(Source: WCC Parks and Gardens)</i>	-	-	11	12	We maintained Pest Management Plans for all but one of the key native ecosystems. Delays were experienced in the establishment of a plan for Tapu Te Ranga Island (at Island Bay). We expect to have a pest management plan in operation in early 2008 following ongoing discussions with iwi and the Historic Places Trust.

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Town belts (4.2.3)				
Expenditure	3,878	3,777	(101)	3,244
Revenue	(439)	(385)	54	(957)
Net expenditure	3,439	3,392	(47)	2,287
Community environmental initiatives (4.3.1)				
Expenditure	289	305	16	177
Revenue	(5)	(3)	2	(3)
Net expenditure	284	302	18	174
Walkways (4.4.1)				
Expenditure	363	350	(13)	267
Revenue	(10)	(12)	(2)	(3)
Net expenditure	353	338	(15)	264
Stream protection (4.7.1)				
Expenditure	-	-	-	-
Revenue	-	-	-	-
Net expenditure	-	-	-	-
Pest, plant and animal management (4.7.2)				
Expenditure	764	855	91	763
Revenue	(16)	(21)	(5)	(9)
Net expenditure	748	834	86	754
CAPITAL EXPENDITURE (\$000)				
Town belts (4.2.3)				
Actual cost	574	575	1	319
Budget to carry forward to 2007/08	-	359	359	533
Walkways (4.4.1)				
Actual cost	352	350	(2)	318
Budget to carry forward to 2007/08	-	-	-	-

ENVIRONMENT

Water

We want to provide Wellingtonians with safe, high quality drinking water, while also encouraging efficient water use.

Water is a fundamental need. It's crucial for people's health, and for quality of life. A city cannot survive without a steady supply of clean, safe, drinkable water.

It's also a resource that's in limited supply. Before it can be supplied to Wellington households, it has to be gathered in rainwater catchments, stored, and treated to ensure it is free of contamination. It is then piped to Wellington city. All of this requires costly infrastructure – reservoirs, pipes, treatments stations and so on.

We own the city's water supply network, which includes 75 reservoirs, 34 pumping stations and about 1,000km of underground pipes. We contract Capacity, a company that we own jointly with the Hutt City Council, to manage, maintain and operate the network and carry out upgrades and renewals. We test water quality to ensure all water supplied meets national drinking water standards.

Each year, we purchase more than 30,000 million litres of water from the Greater Wellington Regional Council to supply Wellington properties.

Our goal is to continue to provide safe, drinkable water to all households and businesses – while also moving the city towards a more sustainable approach in which water is used wisely and without waste.

WHAT WE DID

During the year, we made progress on several water network renewals and upgrades.

We have a programme to gradually replace all unlined cast iron water mains to improve drinking water quality across the city. Cast iron pipes are being replaced with plastic pipes because plastic is non-corrosive and improves the efficiency of water flow. During the year 10 kilometres of pipe was replaced. The opportunity to upsize the pipe diameter to cater for any future demand increases was also incorporated into the replacement programme.

We worked on plans to encourage more efficient use of water.

Already, every day, the equivalent of 450 litres of water is consumed per person in Wellington city. And consumption has been increasing. If a one in 50 year drought occurs, there's a risk that the region's water supply may not be able to meet demand.

To deal with this risk, we've been working with Greater Wellington and other councils in the region to investigate future water needs and conservation targets. As these plans are finalised, decisions will need to be made about water conservation measures.

About 1200 Wellington households use water meters, which means they pay for the water they use instead of paying water rates. By making people more aware of how much water they use, water meters can aid water conservation.

A major gas outage linked to our water network disrupted central city businesses.

On 30 August 2006, pressurised water from a burst pipe entered a Powerco gas line in the central city, interrupting the gas supply to about 1000 customers including hotels, cafes and other businesses. The gas was out for several days for most of those customers (and up to three weeks for a very small number) causing major disruption to some businesses.

In addition, more than 160 holes were dug in the city's streets as Powerco and Council staff and contractors worked to purge the gas lines of water and restore the supply. These holes were progressively filled in over the following two months.

The outage placed enormous demands on contractors as they worked to reconnect customers to their gas supplies. We relaxed some of our rules around noise control and allowed them to work later than might otherwise be the case so the work could be done as quickly and safely as possible.

Immediately after the outage Powerco publicly praised the "swift and effective" response of our contractors. Four leak location crews were mobilised within a few minutes of the outage being detected. The crews worked with Powerco contractors to search an area of around 20 city blocks for the leak and located it within hour, then worked throughout the night to repair the damaged water pipe.

The outage focused attention on how the city's water network is managed. Capacity, under contract from the Council, operates an ongoing programme of monitoring the network and carrying out both planned and reactive maintenance and upgrades of water pipes and other water network assets. This programme is specifically aimed at maintaining levels of service and minimising risk, while keeping costs at appropriate levels.

In spite of this programme, leaks and pipe bursts occur – as they do in all water networks around the world. We aim to effectively manage this core infrastructure and have implemented an extensive leak detection programme including additional district water meters.

HOW WE PERFORMED

WATER NETWORK (4.5.5)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Response time to service requests – to respond to all requests for service within 1 hour of notification. (Note: response includes initial investigation and prioritisation of work.) (Source: Capacity - Wellington Water Management Ltd)	-	-	97%	96%	All three measures are new. Our measures of response rate to water network service requests and general customer satisfaction have both exceeded our targets. The amount of water lost from the network was slightly more than we had hoped. Reducing water loss from the network remains an important focus. We hope to see considerable improvement in the near future with implementation of an extensive leak detection programme and installation of additional district water meters.
2. Customer satisfaction –customers (%) who are satisfied with work carried. (Source: Capacity - Wellington Water Management Ltd)	-	-	85%	75%	
3. Water loss from the network - the estimated percentage of unaccounted for water. (Source: Capacity - Wellington Water Management Ltd)	-	-	21%	<20%	
WATER COLLECTION AND TREATMENT (4.6.1)	2004/05	2005/06	2006/07	TARGET	COMMENTS
Compliance with the Drinking Water Standards for New Zealand (2005). (Source: Capacity - Wellington Water Management Ltd)	-	Compliance achieved	Compliance achieved	Maintain compliance	All water samples during the year complied with Drinking Water Standards for New Zealand (2005).

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Water network (4.5.5) ¹				
Expenditure	14,453	13,984	(469)	13,779
Revenue	(1,774)	(787)	987	(1,396)
Net expenditure	12,679	13,197	518	12,383
Water collection and treatment (4.6.1)				
Expenditure	12,671	12,591	(80)	12,551
Revenue	(85)	-	85	(11)
Net expenditure	12,586	12,591	5	12,540
CAPITAL EXPENDITURE (\$000)				
Water network (4.5.5)				
Actual cost	9,917	12,899	2,982	12,699
Budget to carry forward to 2007/08 ²	-	2,001	2,001	854

¹ The increase in operating costs is due unplanned maintenance. The revenue variance is due to the recognition of unbudgeted vested assets income. ² The capital renewal at Messines Road reservoir has been deferred until 2008/09.

WASTEWATER AND STORMWATER

We want to safeguard public health and safety, and protect the city's waterways from pollution.

Wellington's stormwater network keeps residents and property safe by protecting the city from flooding. Each year, the network carries about 80 million cubic metres of runoff from roofs, paths, kerbs and channels and drains to streams and the harbour.

The sewage network, which carries about 29 million cubic metres of wastewater a year, protects human health and the environment by removing wastewater from homes and treating it to make it safe for disposal.

We own the city's stormwater and wastewater network, including thousands of kilometres of pipelines, as well as pumping stations and sewage treatment plants.

Capacity, a company that we own jointly with the Hutt City Council, is contracted to manage, maintain and operate the networks and monitor the network and carry out upgrades and renewals. This includes ensuring that sewage and trade waste is treated to safe levels before disposal – treated wastewater is piped to Cook Strait and sludge is piped to the Southern Landfill where it is combined with green waste to make compost.

We monitor and regulate trade wastes to ensure that harmful substances don't enter the sewage system.

Management and maintenance work includes upgrading sewer pipes that are too small or leak, flushing drains, finding and fixing leaks, and carrying out works to ensure that sewage doesn't contaminate the stormwater network.

In all of this work, our key aims are safety and sustainability: wastewater should be disposed of in ways that protect public health and don't compromise ecosystems.

WHAT WE DID

We carried out several sewer and stormwater upgrades and renewals.

We started work on a \$2.2 million upgrade of the main trunk sewer through Johnsonville, and on a new sewer main across the Wakefield, Mercer and Victoria Street intersection. A new sewer tank was built in the new Bellevue subdivision in Newlands.

The new Te Aro stormwater culvert – in conjunction with the inner city bypass project – was completed. We installed new stormwater sumps in Miramar to control localised flooding. A new stormwater outlet was completed at Lyall Bay, and sewer and stormwater pipes were renewed in Farnham Street (Mornington), Reuben Avenue (Brooklyn), Rose Street (Wadestown), Freeling Street (Island Bay) and Newlands Road (Newlands).

The stormwater network generally coped well despite severe weather at times during the year. Severe storms in July 2006 caused some flooding and slips in parts of the city. There was also some surface flooding during storms in October 2006.

We also applied for a resource consent to continue to operate the Moa Point wastewater treatment plant.

The consents allow the plant to discharge fully treated wastewater 1.8km offshore in Cook Strait, discharge deodorised air, and discharge of partially treated wastewater 1.8km offshore during extreme wet weather conditions when wastewater flows exceed the plant's capacity.

We also applied for consents to continue operating the sludge dewatering plant at Carey's Gully in Happy Valley – sewage sludge is combined with green waste from the Happy Valley landfill to make high quality compost. Greater Wellington Regional Council will make decisions on the consent applications during 2007/08.

In addition, we received consents to continue operating the Western Wastewater Treatment Plant in Karori. The consents were granted with conditions. The Council and two other parties appealed the decisions. Environment Court mediation is expected during 2007/08.

HOW WE PERFORMED

4.6.2 STORMWATER MANAGEMENT	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Response time to service requests – to respond to all requests for service within 1 hour of notification. (response includes initial investigation and prioritisation of work). (Source: Capacity - Wellington Water Management Ltd)	-	-	99%	96%	Our measures of response rate to stormwater service requests and general customer satisfaction have both exceeded our targets.
2. Customer satisfaction – customers (%) who are satisfied with work carried-out. (Specific to the stormwater management activities). (Source: Capacity - Wellington Water Management Ltd)	-	-	80%	75%	We failed to meet two of our three stormwater water quality measures. Increased occurrence of sample contaminants are typically related to faecal matter from animals, litter, pollution and decaying vegetation flushed into the stormwater system during heavy rainfall.
3. Sampling days (%) when the following contaminants are not seen: scums or foams, floating or suspended material, abnormal colour or clarity, fats or gross solids. (Source: Capacity - Wellington Water Management Ltd)	99%	98%	95%	100%	We continue to work with Greater Wellington to educate residents about the importance of keeping contaminants out of the stormwater network.
4. Monitored freshwater sites (%) where annual median faecal coliform bacteria counts are less than 1000 per 100ml (lower levels of these bacteria mean cleaner water). (Source: Capacity - Wellington Water Management Ltd)	-	-	48%	80%	
5. Sampling days (%) at monitored bathing beaches when water quality complies with Ministry for the Environment guidelines (green status). (Source: Capacity - Wellington Water Management Ltd)	-	-	93%	90%	

SEWAGE COLLECTION AND DISPOSAL NETWORK (4.6.3)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Response time to service requests – to respond to all requests for service within 1 hour of notification. (response includes initial investigation and prioritisation of work). (Source: Capacity - Wellington Water Management Ltd)	-	-	98%	96%	Our measures of response rate to sewage collection and disposal network service requests and general customer satisfaction have both exceeded our targets. All other targets for this area of work were either met or exceeded.
2. Customer satisfaction – customers (%) who are satisfied with work carried-out. (Specific to the sewage collection and disposal activities). (Source: Capacity - Wellington Water Management Ltd)	-	-	75%	75%	
3. Monitored consented harbour/coastal sites (%) where the median annual level of faecal coliform bacteria counts are less than 2000 per 100ml (lower levels of these bacteria mean the water is cleaner). (Source: Capacity - Wellington Water Management Ltd)	71%	86%	92%	80%	We have seen continued improvement in bacteria levels at monitored consented harbour/ coastal sites.
4. Businesses producing trade waste (%) that are inspected during the year. (Source: Capacity - Wellington Water Management Ltd)	-	-	100%	100%	We inspected all known businesses that produce trade waste. We've identified the need to extend our trade waste management system to more effectively identify and monitor those businesses that produce or are likely to produce trade waste. These improvements will be implemented in the coming year.
SEWAGE TREATMENT (4.6.4)	2004/05	2005/06	2006/07	TARGET	COMMENTS
Resource consent compliance – the number of infringement notices received. (Source: Capacity - Wellington Water Management Ltd and Greater Wellington Regional Council)	None	None	None	None	We have continued strong performance for sewage treatment by maintaining standards as set out in resource consent.

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Stormwater management (4.6.2) ¹				
Expenditure	12,025	11,831	(194)	11,221
Revenue	(758)	(249)	509	(1,113)
Net expenditure	11,267	11,582	315	10,108
Sewage collection and disposal network (4.6.3) ²				
Expenditure	14,445	14,490	45	13,684
Revenue	(1,013)	(337)	676	(802)
Net expenditure	13,432	14,153	721	12,882
Sewage treatment (4.6.4) ³				
Expenditure	19,832	19,629	(203)	19,312
Revenue	(2,195)	(1,005)	1,190	(1,808)
Net expenditure	17,637	18,624	987	17,504
CAPITAL EXPENDITURE (\$000)				
Stormwater management (4.6.2)				
Actual cost	3,593	4,020	427	5,376
Budget to carry forward to 2007/08	-	465	465	-
Sewage collection and disposal network (4.6.3)				
Actual cost	6,592	6,919	327	8,371
Budget to carry forward to 2007/08	-	154	154	-

¹ The increase in operating costs is due to unbudgeted flood mitigation works in Miramar. The revenue variance is due to the recognition of unbudgeted vested assets income. Capital works to renew storm water network have been rescheduled for later than budgeted.

² The revenue variance is due to the recognition of unbudgeted vested assets income. The capital expenditure underspend is due to contractor and material shortages. This underspend has been carried forward to next year.

³ Additional revenue has been generated from the Council's share of the Porirua Sewage Treatment Plant.

Waste reduction and energy conservation

We want Wellington to be a sustainable city.

Sustainability is about meeting today's needs in ways that don't cause future harm. A truly sustainable city meets its energy needs from renewable supplies. It uses resources efficiently, and it finds ways to re-use or recycle instead of adding to the amount of rubbish sent to landfills. Wellington can't yet claim to be a truly sustainable city – but in some areas we are heading in the right direction. The city's recycling volumes, for example, have been steadily increasing in recent years.

We dispose safely of the city's waste, and we're also working to reduce waste and increase recycling.

We provide weekly household recycling collections in suburban areas and the CBD – residents strongly support this work and the vast majority recycle. We also provide weekly rubbish collections from households and daily collections in the CBD.

Waste is disposed of at the Southern Landfill, which operates a transfer station where recyclables are separated out. The landfill also operates a Second Treasure Shop where second-hand items can be dropped off, and facilities for collection and disposal of hazardous waste such as paints, batteries, gas bottles, garden chemicals, oils and solvents.

Our other waste management roles include managing the city's 30+ closed landfills to reduce any environmental impacts, providing residents with information about waste reduction, carrying out research about the impact of waste on the city, and enforcing waste bylaws (which can include fines for disposing of waste in inappropriate ways).

WHAT WE DID

We've committed to an ambitious vision to make Wellington carbon neutral by 2050.

In June 2007, the Council agreed to adopt this goal, which acknowledges that climate change is occurring and has potential to cause significant social, economic and environmental harm. During 2007/08, further work will be carried out to develop goals and options for reducing greenhouse emissions. This will include preliminary cost-benefit analysis of projects and initiatives.

As first steps, we've joined the worldwide Communities for Climate Protection programme and set an initial target of stabilising the city's greenhouse gas emissions at 2001 levels by 2010 and achieving a 10% reduction by 2020. Wellington's emissions are largely from petrol use, followed by electricity and diesel use.

As well as taking steps to convert greenhouse gases from the Southern Landfill to electricity (see below), we're working on sustainable building guidelines for the community, covering areas such as energy

efficiency, water conservation and waste reduction for new buildings and renovations. These will be available late in 2007.

We're also working to reduce our own greenhouse gas emissions – see our Environmental Impact report on page XX.

We made plans to reduce greenhouse gas emissions by generating electricity from landfill methane.

We're working in partnership with Nova Gas on this project. All landfills produce methane and carbon dioxide emissions. By generating electricity from landfill gas, we can reduce these emissions. The resulting electricity will be plugged directly into the main grid. During the year, our plans reached an advanced stage. We aim to have the system operational during 2007/08.

Greenhouse gas emissions can also be reduced by converting organic waste into compost. We separate out green waste at the Southern Landfill transfer station for use in compost. We also collect food waste from hotels, restaurants, cafes and caterers throughout the city as part of our Kai to Compost programme. This was trialled during 2005/06 and has now been made permanent. The programme operates on a user pays basis and demand has increased rapidly. During the year, 387 tonnes of food waste was diverted from the landfill for composting.

We trialled a scheme to promote recycling among the city's downtown businesses.

This was a joint initiative with the Greater Wellington Regional Council, which involved collecting recycling from central city buildings. The trial followed a waste audit in 2005 which showed that a lot of waste going to landfills came from commercial office buildings. The trial is being paid for in part through the Ministry for the Environment's Sustainable Management Fund.

The service was initially provided for free, with the councils making the process easier by coordinating different tenants and cleaners within each building. Over time, it was expected that businesses would see direct benefits from recycling in terms of reduced costs from lower waste.

In addition, we also started a detailed analysis of the environmental and economic benefits of the products we recycle. This was stimulated by the demise of the market for recycled glass. We anticipate concluding the analysis in August 2007. This will help shape the future of recycling in Wellington.

HOW WE PERFORMED

RECYCLING (4.5.3)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Kerbside recycling collected. (Source: WCC CitiOperations)	11,606 tonnes	11,500 tonnes	11,630 tonnes	11,700 tonnes	We have continued to increase the amount of kerbside recycling collected, although our tonnage fell slightly short of our target. We continue to see the vast majority of residents using our recycling services on a weekly basis. Of those users, most rate services as good or very good, surpassing our target.
2. Usage of WCC kerbside recycling service. (Source: WCC Resident Satisfaction Survey)	83% weekly	87% weekly	86% weekly	85% weekly	
3. The percentage of users who rate the WCC kerbside recycling service as good or very good. (Source: WCC Resident Satisfaction Survey)	-	-	90%	75%	
WASTE MINIMISATION AND DISPOSAL MANAGEMENT (4.5.4)	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. Total recyclable material diverted from the landfill (d) vs. total waste to the landfill. (Source: WCC CitiOperations)	-	-	33,500d 73,216	29,300d 55,500	We have a number of new measures for 2006/07, which will be closely monitored over coming years. We have continued to maintain landfill resource consent compliance inline with our target.
2. Domestic waste collection is maintained at once a week, 52 weeks a year (excluding Christmas, New Year and Easter); Inner-city waste collection is maintained at six days a week, 52 weeks a year (excluding Christmas, New Year and Easter). (Source: WCC CitiOperations)	Achieved	Achieved	Achieved	Maintain	During the year, we exceed our target for diverting recyclable material from the landfill. Unfortunately our target for total waste to the landfill has not been met. This means more non-recyclable waste was deposited into the landfill than our projections and targets suggested. In the coming years we'll continue to focus efforts on waste reduction, particularly diverting recyclable material from the landfill.
3. WCC Landfill and the household hazardous waste facility are open 9.5 hours a day, 7 days a week, 52 weeks a year (excluding Christmas, New Years and Easter) (Source: WCC CitiOperations)	Achieved	Achieved	Achieved	Maintain	The Southern Landfill is monitored against the quality standards set out in our resource consents. We had a one-off breach of consent conditions, which was remedied immediately. This event meant we met our compliance requirements for 364 days of the year.
4. Landfill resource consent compliance – the number of days on which quality standards as set out in the resource consents are met. (Source: Greater Wellington Regional Council)	100%	99%	99%	100%	Due to greater than expected progress against our work schedule for identifying and installing monitoring systems in known closed landfills, 90 percent of known closed landfills now have systems in place. This result far exceeds our target for the year.
5. The number of known closed landfills that require monitoring systems that have systems in place (measured as a percentage of all known closed landfills requiring such work). (Source: WCC CitiOperations)	-	-	90%	52%	

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Energy efficiency and conservation (4.5.1)				
Expenditure	27	19	(8)	-
Revenue	(1)	-	1	-
Net expenditure	26	19	(7)	-
Recycling (4.5.3)¹				
Expenditure	1,789	1,935	146	2,114
Revenue	(1,075)	(1,503)	(428)	(144)
Net expenditure	714	432	(282)	1,970
Waste minimisation and disposal management (4.5.4)²				
Expenditure	8,333	7,913	(420)	8,660
Revenue	(8,480)	(7,718)	762	(9,607)
Net expenditure	(147)	195	342	(947)
CAPITAL EXPENDITURE (\$000)				
Energy efficiency and conservation (4.5.1)				
Actual cost	4	4	-	-
Budget to carry forward to 2007/08	-	46	46	-
Waste minimisation and disposal management (4.5.4)				
Actual cost	321	322	1	320
Budget to carry forward to 2007/08	-	112	112	123

¹ The unfavourable variance is due to a reduction in volumes as the transfer of waste to the Southern Landfill following the closure of the Northern Landfill is lower than expected.

² The revenue and expenditure variance is due to unplanned contaminated soil waste, higher than expected labour costs and additional contractual cost to this activity.

Environmental conservation attractions

Nature is one of Wellington's biggest attractions.

In the Karori Sanctuary and Wellington Zoo, Wellington has two facilities that play crucial roles in wildlife conservation and educating people about nature. The sanctuary has a 500-year vision of restoring pristine native forest and bird life in a valley just minutes from the city. The Zoo has a programme of breeding and rearing endangered species from New Zealand and abroad.

In the next few years, these facilities will be joined by the Aquarium of New Zealand – Te Moana Tamariki. Together, these will make vital contributions to conservation while also benefiting the economy by positioning Wellington as the natural centre of nature-based visitor attractions.

We support all of these initiatives. Wellington Zoo, which attracts more than 160,000 visitors each year, is Council funded. The sanctuary's land was provided by the Council, and both the sanctuary and the aquarium are using Council loans to develop visitor attractions.

In November 2006 the Wellington Marine Conservation Trust received a resource consent for the proposed Marine Education Centre. Save the Point Inc lodged an appeal in the Environment Court.

WHAT WE DID

The sanctuary received government funding for a new visitor centre.

The sanctuary was granted \$6.5 million from the government's significant community-based projects fund to develop a centre of conservation education. The funding adds to the Council's \$8m interest-free loan and funding from other individuals and local businesses.

The centre is expected to attract 190,000 visitors a year, securing the sanctuary's future financially and enabling it to build on its position as a pioneer in ecological restoration. The centre will also enhance the contribution made by the sanctuary to Wellington tourism.

"By giving us the means to develop this new facility, the Government and Wellington City Council have recognised the Karori Sanctuary and the centre's significant contribution to national, regional and local outcomes," said sanctuary chairman Richard Bentley.

"The Karori Sanctuary is perfectly positioned to showcase New Zealand conservation and to bring our conservation story to life, especially for those thousands of New Zealanders who never normally have the opportunity to experience conservation in action." – Sanctuary chairman Richard Bentley.

The sanctuary's contribution was recognised with several awards.

The sanctuary won a Ministry for the Environment 2007 Green Ribbon Award in the urban sustainability category, and the Green Gold category in the 2007 Wellington Gold Awards for business excellence. It is also a finalist in the New Zealand Tourism Awards, to be announced in August 2007. It was also licensed to carry New Zealand Tourism's Qualmark mark of quality.

The sanctuary continued to upgrade and enhance its visitor facilities, installing a new 10m viewing tower with stunning views over the sanctuary's lakes and regenerating bush, and completing a new floating walkway providing access across the sanctuary's lower lake to its wetlands.

The sanctuary and Wellington Zoo continued to make a valuable contribution to conservation.

Key developments included:

- 100 Cook Strait giant weta from Matiu/Somes Island were introduced into the sanctuary – the first attempt to reintroduce them since they became extinct on the mainland over a century ago.
- 30 rare Maud Island frogs were introduced to the sanctuary
- five kaka chicks were hatched and hand raised at the Zoo – three were released at the sanctuary and two at the Mangatautari Ecological Island near Cambridge
- the Kereru Discovery Project was launched – a partnership between Te Papa, the sanctuary, the zoo, Pukaha Mount Bruce, Department of Conservation and Victoria University, this project aimed to educate the community about how to save kereru by reporting sightings and changing the planting in their gardens
- a Malayan sunbear cub was born at the Zoo – the first time in Australasia that this endangered species has bred in captivity.

The zoo celebrated its centenary.

The Zoo's centenary was celebrated from October 2006 to March 2007. Key events included a zoo-themed play, a self-guided history tour, twilight cinema, Valentine's Night opening, an exhibition about the zoo at the Museum of Wellington City and Sea and a children's day on which nearly 2000 people visited.

Overall, more than 177,500 people visited the Zoo during the year, an increase of 4.3% on the previous year's result and significantly ahead of the Zoo's target. Almost half of Wellingtonians surveyed by the Council reported visiting the Zoo during the year. More than 14,000 school students came through the zoo school learning programme. The total number of sleepover participants for the year was almost 3,500.

Major plans were made for an upgrade of the zoo.

During the year, the new chimpanzee house was completed and construction of a mixed African exhibit including a new giraffe house got under way.

In December, the Council committed \$15 million towards a 10-year redevelopment of the Zoo, with projects including a new amphitheatre, animal hospital and wildlife recovery centre, bird aviaries, and redevelopment of the Monkey Islands, entrance plaza and the Archibald Centre.

Zoo chief executive Karen Fifield says the funding is the start of a new era. "The redevelopment will help improve our existing assets and allow us to reach out into the community in new ways. For example, the planned animal hospital and wildlife recovery centre will allow visitors to watch animal medical procedures as well as offer a place where injured native wildlife can be rehabilitated. It's a great way to turn the Zoo 'inside out' so we can share the story of how we care for the animals and injured wildlife."

HOW WE PERFORMED

ENVIRONMENTAL AND CONSERVATION ATTRACTIONS (4.8.1)	2004/05	2005/06	2006/07	TARGET	COMMENTS
Visitors to the Karori Wildlife Sanctuary, and to monitor endemic and native bird species. (Source: Karori Wildlife Sanctuary Trust)	50,685	50,790	64,348	27,698	The Karori Wildlife Sanctuary has seen considerable growth in visitor numbers over the last two years. In light of the disparity between our visitor numbers and target, closer analysis will be given to assessing future targets. We also monitor the number of bird species recorded at the sanctuary. In 2006 there were 30 endemic and native bird species recorded, compared to 20 species in 1993.

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Environmental and conservation attractions (4.8.1)				
Expenditure	4,391	4,804	413	4,660
Revenue	-	(44)	(44)	(2)
Net expenditure	4,391	4,760	369	4,658
CAPITAL EXPENDITURE (\$000)				
Environmental and conservation attractions (4.8.1)				
Actual cost	4,576	3,967	(609)	2,438
Budget to carry forward to 2007/08	-	135	135	1,950

Expenditure is below budget as there have been delays in the timing of loans and subsequent interest in relation to the Karori Wildlife Sanctuary and Marine Education Centre. Additional externally funded upgrades were completed this year.

ENVIRONMENT

Quarry

The Kiwi Point Quarry provides raw materials for roads and other infrastructure, while also aiming for long-term restoration of the Ngauranga Gorge environment.

The quarry's output is needed for the region's roads and other infrastructure. It contributes to a community goal of ensuring that 'Wellington's long-term environmental health is protected through well-planned and well-maintained infrastructure'. We own the quarry and manage a contract for its operation. Each year, about 250,000 tonnes of rock are extracted for use on roading and other infrastructure. In our management of this resource, we aim to minimise environmental impacts by restoring and developing the area while contributing to the city's development needs.

HOW WE PERFORMED

4.5.2 QUARRY	2004/05	2005/06	2006/07	TARGET	COMMENTS
1. To meet all commercial objectives. (Source: WCC Infrastructure)	-	-	Achieved	<i>Objectives are met</i>	Both targets were achieved for the year, with the contracted royalty being paid to the Wellington City Council and compliance with all District Plan, resource consent and quarry licence requirements.
2. Compliance with all District Plan, resource consent and quarry licence requirements. (Source: WCC Infrastructure)	-	-	All compliance met.	<i>Meet all compliance</i>	The Quarry did receive an abatement notice from the Greater Wellington regarding silt build-up, this problem was remedied immediately.

WHAT IT COST

OPERATING EXPENDITURE (\$000)	2007			2006
	Actual	Budget	Variance	Actual
Quarry (4.5.2) ¹				
Expenditure	395	3,781	3,386	3,914
Revenue	(615)	(4,653)	(4,038)	(4,477)
Net expenditure	(220)	(872)	(652)	(563)

¹ The variance on operating revenue and costs is due to the movement of quarry operations to a royalty based model.