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From the Mayor

Wellington is in great shape – but it's important to think long term.

The future, and how we balance our activities in the present, is very much top of mind for us. This report reflects that.

Protection of the environment and the well-being of Wellington residents has always been part of the Council's work. Our focus on sustainability has stepped up during the past year.

We have established a Climate Change Office to reduce Council greenhouse gas emissions and provide leadership for the city. We have contributed to a new regional framework to support sustainable economic growth.

We have made progress towards more sustainable transport and land use, with plans to focus growth – of residential development, business and services – in areas of greatest benefit and least harm.

Our plans for Adelaide Road, our more focused approach to infill housing and major retail development, and our transport plans for the Ngauranga to Airport corridor are all part of this process.

At the same time, the city has continued to offer residents a very high quality of life.

We continue to be the nation's arts and culture capital, with fantastic events – the International Sevens, World of WearableArt, the Homegrown Music Festival, Matariki, Diwali, the NZ International Arts Festival to name but a few.

While we can't always rely on the weather, residents continue to enjoy high quality outdoor environment and recreation facilities. And Wellingtonians are rightly known for their strong sense of community.

In short, we may have some areas of challenge, but there's still plenty to celebrate.

'Sustainability' to me means ensuring that we retain the qualities that make Wellington a great place to live.

One of the most important contributions we can all make to sustainability is simply to use resources wisely – something that makes sense in both environmental and financial terms.

As you probably know, the Council has made a long-term commitment to reducing greenhouse gas emissions for the city.

This, of course, is a significant challenge. But it's one that's worthwhile. Like everything we do, it's about providing Wellingtonians with the best possible quality of life – and sustaining that for generations to come.

[Insert signature]

Kerry Prendergast Mayor

BREAKOUT: 95% of Wellingtonians think the city offers a high quality of life, and 95% see it as a great place to live.

From the Chief Executive

This annual report is about accountability and performance.

It explains the work we did, our financial results, and it provides measurements of the standards of service we provided and the contribution our work made to Wellington City.

Overall, Wellingtonians are positive about the services they receive from their Council. In our February 2008 survey, 71% said the Council's performance over the last year was good or very good, and 76% said they received value for money from Council services.

In 2007/08 the Council was able to maintain a high level of performance despite rising costs.

Pressures on energy and fuel prices are likely to continue into the future. The introduction of an emissions trading scheme to curb New Zealand's greenhouse gas emissions will also add to the cost pressures we face. This will require careful management and decision making about the services we provide.

Expenditure on operating activities, at \$250.1m, was above the budgeted amount (\$229m), highlighting the cost pressures we face.

We have continued to maintain prudent levels of borrowing to ensure we invest in the city's future but also remain in a healthy position in years to come.

I would like to thank the Mayor and Councillors, council officers, the organisations we work with, and the hundreds of volunteers and community organisations that have worked so hard to contribute to this city during another very good year.

[Insert signature]

Garry Poole Chief Executive

BREAKOUT: 71% of residents think the Council's performance is good or very good.

Our role and direction

Our role

We have two key jobs. The first is to promote the social, economic, environmental and cultural well-being of Wellington and its people, now and into the future. The second is to enable democratic local decision-making and action.

The Wellington City Council is made up of 15 elected representatives – the mayor and 14 councillors. It's their job to make bylaws, set the city's overall strategic direction, and approve budgets, policies and plans aimed at achieving that direction. Part of their role is to listen and take the pulse of the community before making decisions.

The elected representatives are supported by the Council's chief executive and 1500+ staff, who provide advice, implement Council decisions, and look after the city's day-to-day operations.

Our direction

We aim to help Wellington reach its potential as a truly world class city.

In 2006, we adopted a new 10-year strategic direction, based on 13 goals or 'outcomes' for the city. These goals are: to make Wellington more liveable, more compact, more eventful, more inclusive, more actively engaged, better connected, more sustainable, safer, healthier, more prosperous, more competitive, more entrepreneurial and innovative, and to help the city develop a stronger 'sense of place'.

These outcomes were developed after engagement with Wellingtonians during 2005 and 2006 about their aspirations for the city. They support our overall vision of creating global competitive advantage by positioning the city as Creative Wellington – Innovation Capital.

The detail of what our outcomes mean is contained in our 2006-16 strategies for urban development, transport, economy, environment, cultural wellbeing, social and recreation, and engagement/governance.

These strategies provide coherence in our work and ensure we retain a clear sense of what we want to achieve. They also show how all areas of our work are interlinked (how, for example, town planning rules influence demand for transport).

In 2007/08, we have continued to work towards our long-term 'outcomes' while also responding to a number of important challenges such as population growth and change, rising costs, economic uncertainty, public concerns about affordability, and environmental pressures associated with climate change and resource use.

Engaging with residents

Wellington's residents have many ways to provide input into our decisions.

Residents vote in elections, make submissions, come to meetings, and contact us informally about issues of concern.

We have worked hard in recent years to improve engagement – for example, by making it easier to provide input online, and by increasing opportunities for face-to-face meetings between Councillors and residents through regular forums.

Residents also have many options for finding about Council actions and decisions – including our award-winning website and Contact Centre, Council newsletters, the Our Wellington page in the Dominion Post, Council reports and publications, and information in libraries and service centres.

Keeping track of progress

We keep track of progress towards our 'outcomes' by asking residents' views, gathering information from official sources such as Statistics New Zealand, and gathering data internally about the work we do and the impact it has.

This helps us to determine priorities, allocate resources, and decide whether and how we should provide a service.

The vast majority of residents are satisfied with their quality of life and believe Wellington is a great place to live. In most areas, residents are satisfied with the state of the city and the direction it's heading in; in some, there's evidence of concern.

As you'll see throughout this report, we're working to address the areas where performance is declining or has fallen short of the standards we expect.

Making ourselves accountable

We aim to keep you informed and make ourselves accountable.

In July 2006, we published our 2006-16 long-term plan explaining the services we planned to deliver, the costs, how we expected to pay for those services, and how we'd measure our performance. This annual report explains how we've delivered on the second year of that plan.

It contains our financial results, explanations of the work we've done and whether it met expectations, and – in the Governance and Management' section, a detailed 'real world' account of how we receive input from residents and make decisions. This year we're also outlining how sustainability is an integral part of our work.

BREAKOUT: Our job is to promote the well-being of Wellington and its people, now and into the future.

Sustainability overview

All of our work is about sustainability.

'Sustainability' is about meeting today's needs in ways that don't compromise the ability of future generations to meet their needs. Our legislative function is also about balancing present and future needs – promoting the well-being of Wellington and its people, now and into the future.

This function is reflected in all of the work we do. For example, we manage resources, guide development and land use, protect and enhance biodiversity, deal with waste, manage the transport system, support social and economic well-being, and even manage our finances with an eye on balancing future needs with those of the present.

On the following pages, and throughout this report, you'll find information about the work we do, and measures of its effectiveness at enhancing Wellington's environment and Wellingtonians' quality of life now with an eye on the future.

What is sustainability?

Sustainability is commonly thought of as relating to the state of the environment – and, with climate change and rising energy prices, environmental issues are becoming increasingly pressing.

However, sustainability also relates to long-term social, cultural and economic well-being. In practice, it is not possible to separate different types of sustainability; for example, social and economic well-being cannot be enhanced, particularly in the long term, if the environment is being degraded.

Environmental sustainability, too, is broader than climate change and energy use – it also relates to impacts on flora and fauna.

Is sustainability new?

Sustainability has always been a focus of the Council's work – from protection and management of the Town Belt over 150+ years and the original construction of the city's sewage network in the 1890s, through the introduction of kerbside recycling and the construction of the Moa Point wastewater treatment plant in the 1990s, to the wide range of current work to protect and enhance the environment, support improved standards of living, look after residents' health and safety, and foster strong communities.

The language has changed over time. Wellington's founders did not use the word 'sustainability' when they set aside 450 hectares of Town Belt land 'for the enjoyment of the public, and not to be built upon'.

Technology has also changed, as has understanding of the impact of our actions on the environment and the importance of environmental sustainability. As cities such as Wellington grow and develop, the importance of ensuring that today's actions don't cause harm for future generations has come into much greater focus.

How sustainable is Wellington?

In terms of environmental sustainability, Wellington is quite some distance from true sustainability. As a city, we've done a good job of looking after public reserves and open spaces. In recent years, we've also improved our management of waste.

In terms of resource use and greenhouse gas emissions, there has been progress in 2007/08. The city's use of energy and water declined, recycling increased, and the amount of waste dumped in landfills decreased.

We're fortunate in that our economy is based largely on providing services, rather than on extractive industries which can harm the immediate environment, or on energy intensive manufacturing.

However, there's still quite a lot of work to do, for example in terms of: reducing greenhouse gas emissions; ensuring land, water and other resources continue to be used wisely; protecting streams and waterways from the impacts of development and stormwater runoff.

In terms of social and cultural sustainability, Wellingtonians regard themselves as having very high quality of life, and as being part of strong communities. We are very welcoming of people from a wide range of cultures and backgrounds.

Though economic performance has been steady, we have some work to do in achieving sustainable economic growth.

How do we respond?

As mentioned above, the Council supports many initiatives to enhance sustainability. You can find more information about our work on the following pages, or in the chapters of this report on our urban development, transport, environment, economic development, social and recreation, and cultural well-being strategies.

Who is responsible for sustainability?

Though the Council has responsibility to play a leadership role, sustainability is a responsibility that everyone shares – including individuals, businesses and organisations, central government and other local authorities.

Some of the underlying issues go beyond what local government can address. For instance there are very real practical limits on a council stopping population growth within its boundaries. And in other instances it's more efficient for individuals to change behaviours than it is for remedial actions to be put in place.

The Council's sustainability

As well as considering the city's sustainability, we have a responsibility to ensure that our own actions as an organisation are sustainable. In 2008, we established a climate change office to encourage more efficient resource use and reduce the Council's greenhouse gas emissions.

You can find out more about our corporate progress towards sustainability in the Corporate Environmental Impact and the Management and Staff sections of this report.

About sustainability reporting

Sustainability reporting is about accounting not only for your finances and success as an organisation, but also for your impact on the surrounding environment, community and economy. It is also about accounting for the future impact of your actions and decisions, as well as the present-day ones.

All New Zealand local authorities are required, as part of their legislative role, to look after social, economic, environmental and cultural well-being, now and into the future. We have always accounted for the impact of our actions on the surrounding environment, community and economy – that's our job.

In many respects, therefore, this entire report is a sustainability report, as are all local authority annual reports.

Global reporting initiative

The Global Reporting Initiative (GRI) Framework is the world's most widely used framework for sustainability reporting. The framework sets out principles and indicators that organisations can use to measure and report their economic, environmental, and social performance. The GRI framework was used as a guide in developing this report.

BREAKOUT: We've made a commitment to sustainability – which means we're thinking long-term.

Our work at a glance

Urban development

Our built environment work includes enhancing the waterfront and city and suburban centres, developing public spaces such as urban parks and squares, looking after heritage sites, assessing and issuing building and resource consents, ensuring earthquake-prone buildings are strengthened, and planning for the city's future growth and development.

The key challenge we face is to manage growth in ways that are sustainable and retain the city's special character.

Highlights

- The Kumutoto area of the waterfront was redeveloped.
- Residents' views were sought on Johnsonville town centre, Adelaide Road, suburban centres, and retail developments.
- We dealt with resource consents for Bowen Campus, New Zealand's biggest office development, and the proposed Mill Creek wind farm and many others.

Awards

Wellington waterfront projects won several major awards.

At the 2008 NZ Institute of Landscape Architects Awards, the redevelopment of Kumutoto won the George Malcolm Supreme Award, Waitangi Park won the Sustainability Award of Excellence. Plans for Frank Kitts Park also won an award.

The Len Lye 'Water Whirler' sculpture and the redevelopment of Shed 13 won 2007 NZ Institute of Architects Wellington awards.

BREAKOUT: 86% of Wellingtonians are proud of how the city looks and feels.

Transport

We look after 670km of streets and roads, as well as footpaths, cycle lanes, traffic signals, car parks and so on. We also: support public transport through bus priority measures such as bus lanes, letting buses go first at traffic lights, and providing bus shelters; work suburb by suburb to improve road safety; and plan to ensure the city's transport network meets future needs.

The key challenges we face are to deal with congestion and support healthy, sustainable alternatives to the private car.

Highlights

- We completed road safety projects in Aro Valley, Lambton Quay and Island Bay.
- More than 4,600 people gave their views on plans for the transport corridor between Ngauranga and the Airport.
- We developed plans to improve the environment for walking and cycling.

Awards

The inner city bypass team won a Greater Wellington Regional Council Environmental Award.

Economic development

Our economic strategy is to keep Wellington vital – to provide a great place for workers and their families to live and for businesses to locate.

We: support major events such as the IRB Sevens and the Homegrown Music Festival; fund tourism promotions; support attractions such as Te Papa; provide venues such as the Wellington Convention Centre; keep the city centre vibrant by providing free weekend parking; provide grants for community projects with economic benefits; and market the city as a great place to live, work and visit.

We also support the Wellington Regional Strategy that guides the work of the regional economic development agency Grow Wellington.

Highlights

- About 70,000 people went to the IRB Sevens and tens of thousands saw David Beckham and his LA Galaxy football team.
- We started redeveloping the Carter Observatory as a visitor attraction.

BREAKOUT: Major events brought an estimated \$30 million in new spending to the city.

Environment

We look after the city's 34+ square kilometres of reserve land, as well as beaches, coastline, and world class botanical gardens. We fund Wellington Zoo and the Karori Sanctuary, and work to develop other world-class nature-based visitor attractions such as the Marine Education Centre.

We also: supply water, stormwater and sewage disposal systems; provide recycling and waste disposal services; offer grants for environmental initiatives; run the Kiwi Point Quarry; and promote energy efficiency and sustainability.

All cities face significant environmental challenges in responding to climate change, using resources such as water and energy wisely, and managing waste.

Highlights

- A new water reservoir was built to serve growth in the north of the city.
- A new generator was installed at the Southern Landfill to convert methane to electricity.
- Wellington Zoo opened its new giraffe house, and visitor numbers increased.
- Upgrades of Mount Victoria, Cog Park and the entrance to Red Rocks were completed.
- We established a climate change office to reduce the Council's environmental footprint.

BREAKOUT: Wellingtonians dumped 16% less waste in landfills and used 3.5% less water.

Awards

The Karori Sanctuary was named as a finalist in the 2008 New Zealand Tourism Awards Conservation in Action category. The sanctuary also won the Wellington city supreme award and the city and regional heritage and environment prizes at the 2007 Wellington Airport Regional Community Awards.

The Mount Victoria redevelopment won a 2008 NZ Institute of Landscape Architects bronze award.

Cultural well-being

We fund the city's popular art galleries and museums, operate Toi Poneke – the Wellington Arts Centre, and support the NZ International Arts Festival, the St James Theatre and the NZ Symphony Orchestra.

We also provide cultural grants, support community events and festivals, and run the City Archives.

Highlights

- Tens of thousands of residents enjoyed festivals including Summer City, Cuba Carnival, Matariki, Pasifika, Diwali and more
- Te Ara o Nga Tupuna – the Maori heritage trail was extended
- Several major new sculptures added to the cityscape including Te Waka Pou in Waitangi Park and Solace to the Wind on the waterfront
- The NZ International Arts Festival lit up the city with more than 125,000 tickets sold.

Social and recreation

We provide housing for people whose needs are not met by state housing or the private housing market, fund projects to help homeless people, support community organisations, and provide community centres and halls.

Our sports fields, swimming pools and recreation centres provide places for people to congregate and get active.

We also work to protect public health and safety through projects such as monitoring the city centre with CCTV and Walkwise officers, control liquor consumption in public in parts of the city, licensing food and liquor outlets, animal control, regulating other public health risks, providing toilets and preparing the city to deal with emergencies such as earthquakes. We also provide two cemeteries.

Challenges include responding to the demands of a growing population with increasingly diverse needs, maintaining the city's excellent safety record, and dealing with the effects of weather on sports grounds.

Highlights

- The new waterplay area opened at Wellington Regional Aquatic Centre.
- Karori Park officially reopened.
- A new tsunami warning system was put in place.

BREAKOUT: 95% of residents think Wellington offers high quality of life.

Awards

The Council's Stay Safe in the City programme won the "outstanding community safety and/or injury prevention initiative or programme" at the New Zealand Community Safety and Injury Prevention Awards 2007.

New Zealand's top cricketers voted the Basin Reserve the country's top cricket ground, and Council groundsman Bernard Tribe was named Cricket Wellington's Groundsman of the Year for Karori Park.

Engagement/governance

Our governance work includes all of the activities that make us accountable to the people of Wellington. This includes: running local elections; holding meetings; informing residents about the city and our work; and seeking input from residents into our decision-making.

While Wellington residents generally feel well informed and reasonably well consulted, there are challenges. In particular, participation in elections is declining in Wellington – as in other cities.

Highlights

- Local body elections were held in 2007.
- Our website introduced an online petition feature.
- More than half a million people got in touch with our Contact Centre.

BREAKOUT: Local election turnout continued to decline, but a majority of residents feel they are properly informed and consulted.

Awards

Our website (www.Wellington.govt.nz), Call Centre and annual report have won many awards in recent years. At the Association of Local Government Information Management (ALGIM) 2008 Web Symposium, our website's e-Petitions function won the 'best new feature' award.

At the CRM Contact Centre Awards, the Contact Centre won the online (web/email) customer service category for the third consecutive year.

The NZ Institute of Chartered Accountants, at its 2008 awards, judged our annual report the country's best for the third year running. The report also won the best local authority award for the fourth time in five years, and picked up a commendation for governance reporting for the second year in a row.