

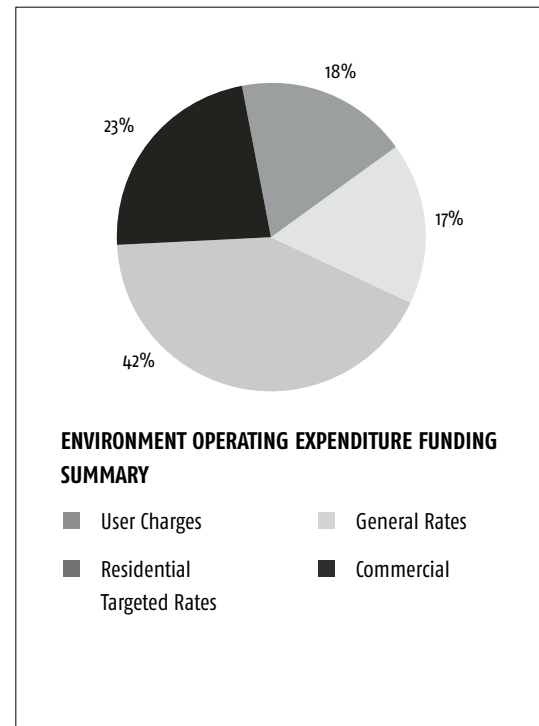
IV) ENVIRONMENTAL DEVELOPMENT STRATEGY

PROTECTING AND ENHANCING OUR NATURAL ENVIRONMENT

Under this area of activity we seek to protect and enhance our natural environment. Wellington is a city shaped by nature. From bush-clad hills to sparkling harbour to rugged coastline, the city's unique character derives from the land. As the city grows, the challenge is to preserve this natural beauty and drama. Part of protecting the environment is looking after the city's water supply, rubbish and recycling operations, and sewage and stormwater networks. This is by far our biggest area of operation.

OPERATING ACTIVITIES

The funding sources for this strategy are illustrated in the graph below.

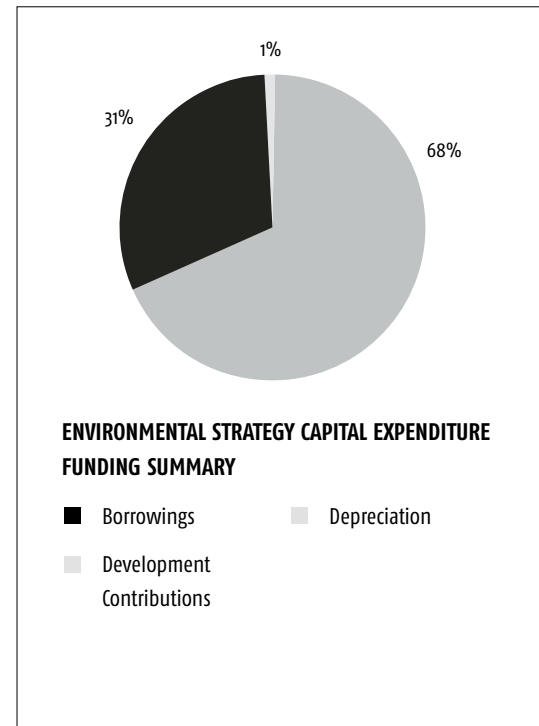


Activity	Funding Sources						
	User Charges	Other Income	General Rates	Targeted Rates			
				Residential	Commercial	Downtown	Other
4.1.1 Local parks and open spaces	5%	0%	95%	0%	0%	0%	0%
4.2.1 Botanical gardens	10%	0%	90%	0%	0%	0%	0%
4.2.2 Beaches and coast operations	0%	5%	95%	0%	0%	0%	0%
4.2.3 Town belts	0%	5%	95%	0%	0%	0%	0%
4.3.1 Facilitation of community environmental initiatives	0%	0%	0%	100%	0%	0%	0%
4.4.1 Walkways	0%	0%	100%	0%	0%	0%	0%
4.5.1 Energy efficiency facilitation	0%	0%	100%	0%	0%	0%	0%
4.5.2 Quarry	125%	0%	-25%	0%	0%	0%	0%
4.5.3 Recycling	100%	0%	0%	0%	0%	0%	0%
4.5.4 Waste minimisation and disposal management	90%	0%	10%	0%	0%	0%	0%
4.5.5 Water network	0%	0%	0%	60%	40%	0%	0%
4.6.1 Water collection and treatment	0%	0%	0%	60%	40%	0%	0%
4.6.2 Stormwater management	0%	0%	0%	80%	20%	0%	0%
4.6.3 Sewage collection and disposal network	0%	0%	0%	60%	40%	0%	0%
4.6.4 Sewage treatment	0%	0%	0%	60%	40%	0%	0%
4.7.1 Stream protection	0%	0%	100%	0%	0%	0%	0%
4.7.2 Pest plant and animal management	0%	0%	100%	0%	0%	0%	0%
4.8.1 Environmental and conservation attractions	0%	0%	100%	0%	0%	0%	0%

CAPITAL EXPENDITURE

The interest and depreciation costs relating to capital expenditure are incorporated in the operating costs of each activity.

Environmental capital expenditure projects are funded through a combination of rates funded depreciation, borrowings and development contributions, as detailed below.



Activity	Funding Sources			
	LTNZ Capex Subsidies	Development Contributions	Depreciation	Borrowings
4.1.1 Local parks and open spaces	0.0%	2.5%	97.5%	0.0%
4.2.1 Botanical gardens	0.0%	2.4%	97.6%	0.0%
4.2.2 Beaches and coast operations	0.0%	0.6%	50.7%	48.7%
4.3.1 Facilitation of community environmental initiatives	0.0%	0.5%	0.0%	99.5%
4.4.1 Walkways	0.0%	0.5%	22.6%	76.9%
4.5.4 Waste minimisation and disposal management	0.0%	0.0%	100.0%	0.0%
4.5.5 Water network	0.0%	1.1%	45.2%	53.7%
4.6.2 Stormwater management	0.0%	0.7%	73.8%	25.5%
4.6.3 Sewage collection and disposal network	0.0%	0.8%	69.7%	29.5%
4.8.1 Environmental and conservation attractions	0.0%	0.0%	11.0%	89.0%

ENVIRONMENTAL DEVELOPMENT STRATEGY – ACTIVITY COMMENTARY

ACTIVITY 4.1.1: LOCAL PARKS AND OPEN SPACES

The Council owns and looks after the city's parks and reserves, horticultural plantings and street trees. We aim to provide a high-amenity, safe open space environment that gives people a wide range of recreation opportunities. Our work includes the upkeep of grass areas, sports pavilions and other buildings on reserve land. (For information on sports fields, see activity 6.4.2).

COMMUNITY OUTCOME

This activity primarily contributes towards the outcomes that "Wellington will preserve and improve its parks trees and open spaces" and that "Wellingtonians will protect and have access to public green open spaces and the coast".

WHO BENEFITS?

<i>Whole community</i>	90%
<i>Identifiable part of the community</i>	10%

The city's parks and reserves benefit the whole community. They give all residents and visitors access to high-quality open spaces for a wide range of recreation activities, such as walking or mountain biking. This encourages healthy lifestyles. They also make the city's environment greener and more pleasant for all residents, and provide focal points for communities. This not only improves quality of life but also adds to people's sense of pride in the city and makes it an attractive place to live and visit.

While those who choose to use the city's open spaces receive a direct benefit, they cannot be readily identified or excluded from these areas. From time to time our park pavilions are leased to sports and community groups who benefit from their exclusive use.

The provision of parks and reserves brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

WHO SHOULD PAY?

<i>Whole community</i>	95%
<i>Identifiable part of the community</i>	5%

Since the community as a whole is the main beneficiary from this activity, it should bear most of the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of parks and reserves and the opportunity for residents to use them for recreational activities.

The exception is the lease of park pavilions to sports and community groups. In these situations, the group concerned receives an exclusive benefit and therefore should bear a share of the cost. While our analysis suggests these groups receive 10 percent of the benefit, we have decided they should bear only 5 percent of the cost. This is because the Council wants to ensure that the pavilions are not priced out of reach of these groups. We want to see high levels of participation in recreation activities and encourage people to use the city's open spaces, and we believe raising user charges on the parks and pavilions could work against that outcome.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	5%
Other revenue	0%
Targeted rate	0%
General rate	95%

Total	100%
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ACTIVITY 4.2.1: BOTANIC GARDENS

Wellington has four botanic gardens: Wellington Botanic Garden, Otari-Wilton's Bush, Bolton Street Memorial Park and Truby King Park (in Melrose). The Council maintains these gardens with the help from community groups and trusts which help provide voluntary guides, fund new development and carry out practical work such as planting.

COMMUNITY OUTCOME

This activity primarily contributes towards the outcomes that "Wellington will preserve and improve its parks trees and open spaces" and that "Wellingtonians will protect and have access to public green open spaces".

WHO BENEFITS?

<i>Whole community</i>	90%
<i>Individuals</i>	10%

The city's four botanic gardens benefit the whole community. They are of international quality, providing residents and visitors with access to open spaces for recreation and relaxation, as well as opportunities to learn. They play a valuable conservation role, preserving native and exotic plants. By attracting visitors to Wellington they help its economy, and by making the city's environment more pleasant for all residents they improve quality of life and adds to people's sense of pride in the city.

While those who choose to use the gardens receive the most direct benefit, in most instances these people cannot be identified and nor can they be excluded from these areas.

The gardens do provide a few services which exclusively benefit individual people or organisations. These include:

- the shop and cafe at the Begonia House in the Botanic Garden
- function rooms at Begonia House, Tree house and Otari-Wilton's Bush
- sale of plants at the Otari-Wilton's Bush annual open day
- lease of a house at Truby King Park to the Biology Institute
- provision of memorial seats in the Botanic Gardens

The gardens also provide educational seminars and programmes which have some private benefit. However, as these programmes help people learn about the environment, the Council believes the principal benefit is to the community as a whole.

The provision of the botanic gardens brings long-term benefits to the city, which is reflected in the Council's commitment to fund them on an ongoing basis.

WHO SHOULD PAY?

<i>Whole community</i>	90%
<i>Individuals</i>	10%

Since the principal benefits of the city's botanic gardens are to the community as a whole, it is appropriate for general ratepayers to bear the majority of costs. The Council views the gardens as public amenities and is committed to maintaining free public access.

These costs are offset by some income-generating activities (as above). These are generally commercial activities; the beneficiaries include souvenir hunters and groups renting function rooms. It is appropriate that these activities are carried out on a user-pays basis.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	10%
Other revenue	0%
Targeted rate	0%
General rate	90%

Total	100%
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ACTIVITY 4.2.2: BEACHES AND COAST

A well maintained coast, with strong natural values and secure structures, is important for public safety and enjoyment. The Council is responsible for the upkeep of many of the city's wharves, breakwaters, jetties and public boat ramps, as well as the Carter Fountain in Oriental Bay.

COMMUNITY OUTCOME

This activity primarily contributes towards the outcome that "Wellingtonians will protect and have access to public green open spaces and the coast".

WHO BENEFITS?

Whole community 100%

Wellington's coastline is a distinct part of the city's identity. By ensuring people have safe access to the coast, the Council is increasing the range of recreation opportunities available to people and encouraging healthy lifestyles, as well as protecting public safety. By beautifying the coast and protecting it from erosion, the Council is enhancing the city's environment, improving quality of life and adding to people's sense of the city as an attractive place to live.

While those who use the city's wharves, jetties and breakwaters receive a direct benefit, in most instances these people cannot be identified. Nor can they be excluded from using the coast. The one exception is boat ramps, which directly benefits an identifiable part of the community: recreational boat users. However, the Council regards these facilities as part of its provision of safe, secure access to the coast and encouraging outdoor recreation.

The Council's work on the city's beaches and coastline brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

WHO SHOULD PAY?

Whole community 100%

Since the whole community benefits from this activity, it is appropriately funded through general rates.

This activity also derives modest rents from club houses on or adjacent to beaches and that revenue is reflected here.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%
Total	100%

ACTIVITY 4.2.3: PROVIDER – TOWN BELTS AND GREEN BELTS

Wellington's Town Belt, Outer Green Belt and reserves offer fantastic recreation venues for the public, but they need a lot of care. The Council manages the Town Belt, the Outer Green Belt and other reserves to ensure they are maintained to high standard. This includes custodial duties, operational planning and implementation, education programmes and upgrade projects.

COMMUNITY OUTCOME

This activity primarily contributes towards the outcomes that "Wellington will preserve and improve its parks trees and open spaces" and that "Wellingtonians will protect and have access to public green open spaces and the coast".

WHO BENEFITS?

Whole community 100%

The Town Belt and Outer Green Belt benefit the whole community. They give all residents and visitors access to high-quality open spaces for recreation activities, encouraging healthy lifestyles. They also make the city's environment greener and more pleasant for all residents, and provide focal points for communities. This not only improves quality of life but also adds to people's sense of pride in the city and makes it an attractive place to live and visit.

While those who choose to use the Town Belt and Outer Green Belt receive a direct benefit, in most instances these people cannot be practically identified and nor can they be excluded from these areas.

The provision of the Town Belt and Outer Green Belt brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

WHO SHOULD PAY?

Whole community 100%

Since the community as a whole benefits from the provision of the Town Belt and Outer Green Belt, it should bear the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of these open space areas and the opportunity for residents to use them for recreational activities.

Through this activity we receive modest revenue from the rental we charge for use of facilities such as Scout Clubs that are housed on Town Belt land.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	5%
Targeted rate	0%
General rate	95%

Total	100%
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ACTIVITY 4.3.1: FACILITATOR AND FUNDER: COMMUNITY ENVIRONMENTAL INITIATIVES

This activity covers initiatives that directly support the community's engagement in advancing environmental well-being. The Council provides grants for projects that promote environmental sustainability or greater understanding of environmental issues. It also covers environmental education initiatives and our community greening programmes.

COMMUNITY OUTCOME

This activity contributes to the outcome that: "Wellington will promote the sustainable management of the environment, and support increased opportunities for the exercise of kaitiakitanga or environmental guardianship."

WHO BENEFITS?

Whole community 100%

This activity benefits the community as a whole. While individuals or groups can apply for the grants, the work they fund helps enhance the environment and provides educational benefits for all city residents.

The activity has long-term benefits, as the projects it funds are aimed at ensuring future generations can enjoy a cleaner and more pleasant environment.

This work contributes directly to the Council's long term goal of pursuing a collaborative, participatory approach towards environmental kaitiakitanga (guardianship), by sharing information within the community and establishing partnerships to achieve environmental goals.

WHO SHOULD PAY?

Whole community 100%

Since this activity benefits the community as a whole, the fairest and most effective way to fund it is from general rates.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate (Residential)	100%
General rate	0%
Total	100%

ACTIVITY 4.4.1: PROVIDER – WALKWAYS

The Council encourages public use of the Town Belt and reserves, and recognises that tracks are important for people's access to and enjoyment of the city's bush and open spaces. We currently maintain over 100km of track.

COMMUNITY OUTCOME

This activity helps achieve the outcome that "Wellingtonians will protect and have access to public green open spaces and the coast". It also contributes directly to our long term goal that Wellington will be better connected – that it will have a network of green spaces and corridors linking the coastline, Town Belt and Outer Green Belt.

WHO BENEFITS?

Whole community 100%

The whole community benefits from the Council's provision of walkways. The walkways give all residents and visitors access to the Town Belt and reserves, encouraging them to enjoy the city's bush and lead healthy lifestyles.

While those who choose to use the walkways receive a direct benefit, in most instances these people cannot be practically identified and nor can they be excluded from these areas.

The provision of walkways brings long-term benefits to the city, which is reflected in the Council's commitment to fund this activity on an ongoing basis.

WHO SHOULD PAY?

Whole community 100%

Since the community as a whole benefits from the provision of the walkways, it should bear the costs through general rates. These costs reflect the enhanced social and environmental well-being through the existence of the walkways and the opportunity for residents to use them.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%

Total	100%
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ACTIVITY 4.5.1: FACILITATOR – ENERGY EFFICIENCY AND CONSERVATION

One of the Council's long term aims is for it and Wellington to be more sustainable. This means that Wellington will reduce its environmental impact by making efficient use of energy, water, land and other resources; shifting towards renewable energy resources; conserving resources; and minimising waste. Our immediate focus is on developing an energy management plan for the Council itself. This work will be supported by promotion of energy efficiency.

COMMUNITY OUTCOME

This activity will contribute in part to the following outcomes "Wellingtonians' use of non-renewable energy resources will decrease" and "Wellington's urban development and buildings will be energy-efficient."

WHO BENEFITS?

Whole community 100%

The whole community benefits from the Council's commitment to and promotion of sustainability. By definition the work is of benefit to current and future generations. By reducing environmental impacts and making more efficient use of existing resources more opportunities will be open to the whole community in the future.

It should also be noted that it is expected that the costs of this project will be met by savings overtime.

WHO SHOULD PAY?

Whole community 100%

Since the community as a whole benefits from this activity, it considered appropriate that it be funded from the general rate.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 4.5.2: PROVIDER – QUARRY OPERATIONS

We provide a source of aggregate and base materials for use in maintaining and building the city infrastructure (drainage and roads). This activity covers the costs of that work.

COMMUNITY OUTCOME

This work helps achieve the outcome that “Wellington’s long term environmental health will be protected by well planned and well maintained infrastructure”.

WHO BENEFITS?

<i>Individuals and identifiable parts of the community</i>	80%
<i>Whole community</i>	20%

The vast majority of aggregate produced by the Kiwi Point Quarry (90–95%) is used to build and maintain the city’s drainage and roading networks. The businesses who purchase this material are the primary beneficiary of this activity.

While the individual business is the primary beneficiary, the Council acknowledges that roads and drains are vital public assets. They benefit the economy by providing efficient systems for travel and transport and meet our requirements for effective water and sewerage systems. The Kiwi Point Quarry also allows the Council to rapidly respond to these infrastructure needs in the event of an emergency. As such the whole community also benefit from this activity.

The base materials are also available to individuals. They gain a benefit from this and are charged the market rate. However, the amount purchased is a small part of the operations.

WHO SHOULD PAY?

Individuals 125%

The Council believes it is appropriate for the businesses who win Council contracts and individuals who purchase aggregate to bear the cost of this activity.

Kiwi Point Quarry operates in a competitive environment. Efficient management means Kiwi Point is able to generate revenue in excess of the operating expenditure while maintaining competitive pricing.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	125%
Other revenue	0%
Targeted rate	0%
General rate	-25%

Total	100%
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ACTIVITY 4.5.3: PROVIDER – RECYCLING

We encourage recycling by providing most residents with recycling bins and bags for weekly kerbside collection.

COMMUNITY OUTCOME

This activity contributes to the outcome that “Wellington will move towards a zero waste strategy.”

WHO BENEFITS?

<i>Whole community</i>	50%
<i>Individuals</i>	50%

The direct beneficiaries of this work are the householders who have recyclable goods collected or who use our recycling stations. These people are able to dispose of their recyclable and reusable waste in a safe, efficient and environmentally-friendly manner.

The whole community receives the environmental benefits from having less waste deposited in landfills.

WHO SHOULD PAY?

<i>Individuals</i>	100%
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Though the benefits of this activity are split between the community and individuals, the Council believes it is appropriate for users of the city’s landfills (see Activity 4.5.4 Provider – Waste minimisation and disposal management) to bear the costs. The Council believes it is appropriate to take a “polluter pays” approach to its solid waste operations, meaning landfill fees should be set at levels that discourage waste. This approach is justified by the significant benefits to the city’s environment from reducing the amount of waste dumped in landfills.

The Council has adopted a Life Cycle Costing Model for Landfills. This model is designed to deliver a full cost recovery system over a landfills life.

The Council also receives a small amount of income from the sale of recycling bins.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	100%
Other revenue	0%
Targeted rate	0%
General rate	0%
Total	100%

ACTIVITY 4.5.4: PROVIDER – WASTE MINIMISATION AND DISPOSAL MANAGEMENT

The Council operates the Southern and Northern Landfills. As well as the day-to-day management of the landfills, we are involved in landscaping, erosion control, resource consent compliance and water quality monitoring. The Council also collects refuse and household hazardous waste which is sent for safe disposal. This ensures hazardous wastes such as oils and solvents do not contaminate the landfills. We also provide aftercare of our closed land fill sites.

COMMUNITY OUTCOME

Operating the landfills and contributing to waste minimisation generally contribute to the outcome that “Wellington’s long-term environmental health will be protected by well-planned and well-maintained infrastructure”.

WHO BENEFITS?

<i>Individuals</i>	75%
<i>Whole community</i>	25%

People using the landfills receive the main benefit from this activity, as they are able to dispose of their waste in a safe and efficient manner that also ensures the harm to the environment is kept to a minimum.

There are also benefits to the whole community. Without the landfills, people would have nowhere safe to dispose of their waste. That would clearly pose a major hazard to public health and harm the city’s environment.

In 2003 the Council adopted the Life Cycle Costing Model for Landfills. This model is designed to deliver a full cost recovery system over a landfill’s life.

WHO SHOULD PAY?

<i>Individuals</i>	100%
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Though the benefits of this activity are shared between individuals and the community as a whole, the Council believes users of the city’s landfills should bear the costs. The Council believes it is appropriate to take a “polluter pays” approach to its solid waste operations, meaning landfill fees should be set at levels that discourage waste. This approach is justified by the significant benefits to the city’s environment from reducing the amount of waste dumped in landfills. Landfill fees are set in accordance with the Life Cycle Costing Model, which determines the cost of operating a landfill over the full term of its life.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	90%
Other revenue	0%
Targeted rate	0%
General rate	10%
Total	100%

ACTIVITY 4.5.5: PROVIDER – WATER NETWORK

The Council owns a water network of over 80 reservoirs, 30 pumping stations, more than 7,000 hydrants and about 900 odd kilometres of underground pipes. We maintain this network to ensure Wellingtonians have high-quality drinking water available at all times. Our work includes monitoring water quality to ensure it meets the required standards, and cleaning reservoirs and pipes.

COMMUNITY OUTCOME

This work helps achieve the outcome that “Wellington’s long term environmental health will be protected by well planned and well maintained infrastructure”.

WHO BENEFITS??

<i>Identifiable parts of the community</i>	75%
<i>Whole community</i>	25%

Water supply is a fundamental Council service. Residents need clean drinking water, as well as water for washing. Water is also vital for industry and commerce. The benefits to commercial users are entirely private and exclusive. The benefits to individual people are mainly private, but there are also significant benefits to the community as a whole in terms of public health and safety, and economic well-being.

WHO SHOULD PAY?

<i>Identifiable parts of the community:</i>	
<i>Base (residential) sector</i>	60%
<i>Commercial sector</i>	40%

While it is recognised that there is a whole community benefit from the provision of the water supply activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties connected to the public water supply.

The division of costs between the two sectors is based on a water consumption split of 75%/25%, modified on the basis of the additional maintenance and service response required in the commercial sector, to a 60% residential 40% commercial split.

The 60% residential share is funded through a targeted rate. The majority of properties (those that do not have a water meter) are charged a fixed charge of \$112.50 incl. GST), to reflect the fixed cost component of funding these activities, with the balance of the sector share funded through a rate per dollar of capital value. Those properties that have elected to have a water meter contribute to the targeted rate through a consumption charge.

The 40% of costs funded through the Commercial sector is drawn from a targeted rate primarily through a consumption charge of \$1.37 (incl. GST) per cubic meter of water consumed. The balance of commercial properties without a water meter, pay their share of the targeted rate through a rate per dollar of capital value.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate (Residential 60% Commercial 40%)	100%
General rate	0%
Total	100%

ACTIVITY 4.6.1: FUNDER AND PROVIDER – WATER COLLECTION AND TREATMENT

We buy water for the city in bulk from the Greater Wellington Regional Council. The regional council treats the water at four sites in the Hutt Valley – Te Marua, Waterloo, Gear Island and Wainuiomata to ensure it meets New Zealand drinking water standards. We pay based on how much water the city uses. Some of our costs are recovered from customers with water meters, while the rest is covered by water rates. Responsibility for water supply is vested in the Council under the Local Government Act.

COMMUNITY OUTCOME

This work helps achieve the outcome that “Wellington’s long term environmental health will be protected by well planned and well maintained infrastructure”.

WHO BENEFITS?

<i>Identifiable parts of the community</i>	75%
<i>Whole community</i>	25%

Water supply is a fundamental Council service. Residents need clean drinking water, as well as water for washing. Water is also vital for industry and commerce. Though water supply is essential in a modern city, the benefits are largely private.

There are also some benefit to the community as a whole from the Council’s provision of clean, drinkable water. This includes public health benefits, provision of water for fire-fighting, and the benefits of a reliable water supply for the economy.

WHO SHOULD PAY?

<i>Identifiable parts of the community:</i>	
<i>Base (residential) sector</i>	60%
<i>Commercial sector</i>	40%

While it is recognised that there is a whole community benefit from the provision of the water supply activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties connected to the public water supply.

The division of costs between the two sectors is based on a water consumption split of 75%/25%, modified on the basis of the additional maintenance and service response required in the commercial sector, to a 60% residential 40% commercial split.

The 60% residential share is funded through a targeted rate.

The majority of properties (those that do not have a water meter) are charged a fixed charge of \$112.50 (incl. GST), to reflect the fixed cost component of funding these activities, with the balance of the sector share funded through a rate per dollar of capital value. Those properties that have elected to have a water meter contribute to the targeted rate through a consumption charge.

The 40% of costs for activities funded through the Commercial sector is drawn from a targeted rate primarily through a consumption charge of \$1.37 (incl. GST) per cubic meter of water consumed. The balance of commercial properties without a water meter, pay their share of the targeted rate through a rate per dollar of capital value.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate (Residential 60% Commercial 40%)	100%
General rate	0%
Total	100%

ACTIVITY 4.6.2: PROVIDER – STORMWATER MANAGEMENT

Each year, Wellington's stormwater network carries around 80 million cubic metres of runoff from gutters and drains to the harbour and city streams. This drainage network helps protect the city from flooding. This network is made up of over 600 kilometres of stormwater pipes and tunnels.

Because stormwater is discharged into the city's streams, harbour and coastal waters, it needs to be as clean as possible. Stormwater can be contaminated by sewage leaking from sewerage pipes, runoff from roads, and by waste such as oil, paint and litter being tipped or washing into drains. The Council has resource consents from the Greater Wellington Regional Council for our stormwater discharges, and we are required to meet the standards set out in these consents. While we do not treat stormwater runoff, we monitor stormwater quality at more than 80 sites, to ensure it meets the required standards.

COMMUNITY OUTCOME

This work helps achieve the outcome that "Wellington's long term environmental health will be protected by well planned and well maintained infrastructure" and that "Wellingtonians will protect and have access to the coast."

WHO BENEFITS?

<i>Identifiable parts of the community</i>	50%
<i>Whole community</i>	50%

The stormwater system provides significant benefits to individual property owners by protecting their property from flooding. Though these benefits are private, they are not exclusive – all homes and businesses benefit, and the network would have to exist for public good reasons regardless of the individual benefits.

The stormwater system benefits the whole community, both by protecting public property and by protecting public health and safety. The system is a fundamental part of the city's infrastructure. Without it, Wellington could not operate as a modern, efficient city, and both economic and social well-being would suffer.

WHO SHOULD PAY?

Identifiable parts of the community:

<i>Residential (urban) sector</i>	80%
<i>Commercial sector</i>	20%

While it is recognised that there is a whole community benefit from this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on the residential (urban) sector and the commercial sector.

Some stormwater runoff may be the direct result of new developments or other land works, or individual actions such as people tipping paint down drains. In these cases, there is a clear "polluter pays" argument for the people or businesses responsible to meet some of the costs. However, identifying those responsible and assessing the costs are difficult.

The Council has decided to exclude rural areas from paying for this activity as this service is not provided to them and as a result they receive no individual benefit. It is therefore appropriate to fund this activity from targeted rates, excluding the rural sector.

The 80% residential share is collected through a targeted rate. This rate is funded through a rate per dollar of capital value.

The 20% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate (Residential 80% Commercial 20%)	100%
General rate	0%
Total	100%

ACTIVITY 4.6.3: SEWAGE COLLECTION/DISPOSAL NETWORK

The Council is responsible for more than 1,000 kilometres of sewer pipes and tunnels, of which almost half are over 50 years old. The sewage network also includes 62 pumping stations which need regular maintenance and ultimately replacement once they have come to the end of their economic life.

COMMUNITY OUTCOME

This work helps achieve the outcomes that “Wellington’s long term environmental health will be protected by well planned and well maintained infrastructure” and that “Wellingtonians will protect and have access to the coast.”

WHO BENEFITS?

<i>Identifiable parts of the community</i>	80%
<i>Whole community</i>	20%

The sewage network mainly benefits individuals by providing for the safe, sanitary removal of sewage waste from their homes and businesses, and ensuring that waste is treated and disposed of in ways that do not harm the environment. Though these benefits are private they are not exclusive – all homes and businesses use the system, and it would have to exist for public good reasons regardless of the individual benefits.

The sewage system benefits the whole community by protecting public health and the overall state of the environment. The system is a fundamental part of the city’s infrastructure. Without it, Wellington could not operate as a modern, efficient city.

WHO SHOULD PAY?

<i>Identifiable parts of the community:</i>	
<i>Base (residential) sector</i>	60%
<i>Commercial sector</i>	40%

While it is recognised that there is a whole community benefit from this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties with sewer connections.

The division of costs between the two sectors is based on a ‘water in, water out’ concept. As a result the sector split for this targeted rate is the same as for water supply. The cost of network installation and maintenance in the commercial area is more expensive due to its size, pressures, standards and service levels. This is reflected in the 60%/40% split.

The 60% residential share is collected through a targeted rate. This rate incorporates a fixed charge of \$112.50 (incl. GST) per property, with the balance of the sector share funded through a rate per dollar of capital value.

The 40% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value.

Council is, however, investigating mechanisms to implement user charges for the commercial sector based on the consideration of issues relating to equity and exacerbator pays.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate (Residential 60% Commercial 40%)	100%
General rate	0%

Total	100%
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ACTIVITY 4.6.4: PROVIDER – SEWAGE TREATMENT

Sewage is treated at three plants: Moa Point, Karori, and Porirua. The waste treatment plants at Moa Point and Karori are financed by the Council and operated by United Water. Sewage from Wellington's northern suburbs is transferred to the Porirua plant, in which the Council has a 27.6% stake. Once sewage is treated at Moa Point and Karori, waste water is piped into the Cook Strait and the sludge is taken to the Southern Landfill, where it is combined with green waste to make high-quality compost. This work is carried out by a joint venture, Living Earth, which sells the compost.

COMMUNITY OUTCOME

This work helps achieve the outcomes that "Wellington's long term environmental health will be protected by well planned and well maintained infrastructure" and that "Wellingtonians will protect and have access to the coast."

WHO BENEFITS?

<i>Identifiable parts of the community</i>	80%
<i>Whole community</i>	20%

The sewage treatment system mainly benefits individuals by ensuring the waste removed from their homes and businesses is disposed of in ways that do not harm the environment. Though these benefits are private they are not exclusive – all homes and businesses use the sewage system, and sewage would have to be treated for public good reasons regardless of the individual benefits.

The sewage treatment system benefits the whole community by protecting public health and the overall state of the environment. The system is a fundamental part of the city's infrastructure. Without it, Wellington could not operate as a modern, efficient city.

WHO SHOULD PAY?

<i>Identifiable parts of the community:</i>	
<i>Base (residential) sector</i>	60%
<i>Commercial sector</i>	40%

While it is recognised that there is a whole community benefit from the provision of this activity, this, along with the benefit received by individuals is best reflected through a targeted rate imposed on those properties with sewer connections.

The division of costs between the two sectors is based on a 'water in, water out' concept. As a result the sector split for this targeted rate is the same as for water supply. The cost of network installation and maintenance in the commercial area is more expensive due to its size, pressures, standards and service levels. This is reflected in the 60%/40% split.

The 60% residential share is collected through a targeted rate. This rate incorporates a fixed charge of \$112.50 (incl. GST) per property, with the balance of the sector share funded through a rate per dollar of capital value.

The 40% commercial sector share is collected through a targeted rate based on a rate per dollar of capital value.

Council is, however, investigating mechanisms to implement user charges for the commercial sector based on the consideration of issues relating to equity and exacerbator pays.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate (Residential 60% Commercial 40%)	100%
General rate	0%
Total	100%

ACTIVITY 4.7.1: FACILITATOR – STREAM PROTECTION

The Council plans to work with the Greater Wellington Regional Council and with community groups and volunteers on stream protection programmes over the coming. The activity covers that work.

COMMUNITY OUTCOME

This activity contributes to the outcome that “Wellingtonians will protect and have access to green open spaces and the coast.”

WHO BENEFITS?

Whole community 100%

This activity benefits the whole community by helping ensure the city's streams are clean and healthy.

This activity has long-term benefits. For example, an entire stream restoration programme will benefit the surrounding ecosystem and will mean that future generations are less likely to have to deal with the problems that can be faced today. The work aids the health of the environment by protecting and restoring land- and water-based ecosystems to sustain their natural processes, and to provide habitats for a range of indigenous and non-indigenous plants and animals.

The long-term nature of these benefits is reflected in the Council's decision to fund this activity on an ongoing basis.

WHO SHOULD PAY?

Whole community 100%

This activity benefits the community as a whole. Therefore, the fairest and most effective way of funding it is from general rates.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%

Total	100%
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ACTIVITY 4.7.2: PROVIDER – PEST PLANT AND ANIMAL MANAGEMENT

The Council runs programmes to control animal pests and weeds on the 3,000 plus hectares of open space land we own and manage.

COMMUNITY OUTCOME

This activity contributes to the outcome that “pest animals and plants will be eliminated as methods become available, and no new pests will become established.”

WHO BENEFITS?

Whole community 100%

This activity benefits the whole community by helping ensure the city's open space land is safe and pleasant to use. While there are direct benefits to those who choose to use the city's open spaces, these people cannot easily be identified or excluded from using those areas. There may also be benefits to certain communities within the city – for example, from a programme to eradicate possums from a particular suburb – but, in general, the benefits of this activity are to the community as a whole.

This activity has long-term benefits. For example, eliminating a pest from an area means future generations are less likely to have to deal with the problems that pests cause. The work aids the health of the environment by protecting and restoring land- and water-based ecosystems to sustain their natural processes, and to provide habitats for a range of indigenous and non-indigenous plants and animals.

The long-term nature of these benefits is reflected in the Council's decision to fund this activity on an ongoing basis.

WHO SHOULD PAY?

Whole community 100%

This activity benefits the community as a whole. Therefore, the fairest and most effective way of funding it is from general rates.

OUR FUNDING TARGETS: OPERATING EXPENSES	
User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%
Total	100%

ACTIVITY 4.8.1: FUNDER – ENVIRONMENTAL AND CONSERVATION VISITOR ATTRACTIONS

The Council funds the Wellington Zoo Trust and has provided interest free loans to the Marine Education Centre and to the Karori Wildlife Sanctuary Trusts. While each of these organisations has specific goals and approaches to conservation and education they all provide attractions for residents and visitors.

COMMUNITY OUTCOME

This activity in part contributes to the outcome that “Wellington will protect and showcase its natural landforms and indigenous ecosystems”.

WHO BENEFITS?

<i>Individuals</i>	40%
<i>Whole community</i>	40
<i>Identifiable part of the community</i>	20%

These facilities benefit the individuals that choose to attend by providing them with a high-quality recreational and educational experience. These benefits are private and exclusive.

These facilities provide (or in the case of marine education centre will provide) significant benefits to the whole community. They play a major conservation role by protecting endangered species and educating the public about conservation and biodiversity issues.

There existence is also of benefit to those who are not visitors generally but have the option of going.

The facilities also aim to attract tourists to the city, contributing to the local economy.

WHO SHOULD PAY?

Whole community 100%

Each of these trust’s operate separately from the Council. User charges, which in the case of the Zoo account for about 45 percent of the trust’s income, reflect the private benefits to people who visit these facilities. These user charges do not appear in the Council’s books.

The Council’s contribution to these facilities reflects the benefits to the community as a whole. For this reason, it is appropriate for the Council’s contribution to be funded from general rates.

Rates funding is also justified because these facilities contribute to the Council’s long term goal that the city high quality natural environment will attract visitors, residents and visitors.

OUR FUNDING TARGETS: OPERATING EXPENSES

User charges	0%
Other revenue	0%
Targeted rate	0%
General rate	100%

Total	100%
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