

Executive summary

This report outlines Wellington City Council's activities between 1 January and 31 March 2012 and gives a consolidated financial view for the financial year to date. It presents detailed information for each activity by strategy area. Its purpose is to inform and provide assurance that each activity is being carried out to plan, with explanations where there are variances. The report also provides assurance that the Revenue and Financing Policy targets are being monitored.

The net operating surplus for the year to date is \$58.9 million. This is \$25.1 million greater than the surplus budgeted for. This is due to expenditure being under budget by \$6.2 million and revenue for the year to date being over budget by \$18.9 million.

The Council aims to keep residents and stakeholders informed of progress in terms of services and activities outlined in the Annual Plan and Long Term Plan (LTP) and whether or not we have met our performance targets. The following comprise some of the standout features of the quarter:

Highlights

Earthquake issues

We continued to take a proactive stance on issues relating to earthquake-strengthening and earthquake resilience in general. In February the Mayor and City Councillors considered, and approved, a report on a range of proposals aimed at boosting the ability of the city and region to respond to, and recover from, a major earthquake.

In the meantime, Council staff noted an increase in consent applications relating to private strengthening projects around the city. The Council also completed initial strengthening work on the 1950s Municipal Office Building in Civic Square and progressed preparations for major work on the Town Hall by selecting architects, engineers and other consultants for the project.

Work also started on the strengthening of the 112-year-old Karori Tunnel.

Events and economic activity

This quarter continued an extraordinarily busy six months for the city in terms of big events, tourist visits and other economic activity.

Topping the bill was the New Zealand International Arts Festival which ran from mid-February to mid-March and was widely considered a success – with ticket sales well ahead of the previous festival in 2010.

In all, 12 major events were supported by the Events Development Fund including two new initiatives - the Global Ocean Race stopover and the 2012 World Vintage Cricket Carnival. Major ticketed events performed strongly with both the Hertz Sevens and Jim Beam Homegrown selling-out.

In February we released the findings of a regional economic impact report into Rugby World Cup 2011. The report, prepared by research consultancy firm Angus & Associates, found the total economic contribution of Wellington's eight RWC 2011 matches was just over \$94 million. A total of 268,000 people attended the matches at Westpac Stadium.

Positively Wellington Tourism staff accompanied Mayor Celia Wade-Brown on her visit to Hong Kong in January and met with airlines to discuss long-haul opportunities and projects.

Wellington did not escape the mediocre summer weather over much of the country – which made the programming of a number of NZCT Summer City events a challenge. We hosted Waitangi Day celebrations with our iwi partner, Port Nicholson Block Settlement Trust. The Diplomatic Corps and Governor General attended the day's celebrations held for the second year at Te Raukura – te wharewaka o Pōneke.

Other highlights

- We have registered about 32 hectares of pre-1989 pines into the Government Emissions Trading Scheme and are in the process of preparing an application to MAF to put an additional 111 hectares into the Permanent Forest Sink Initiative (PFSI) to bring the total to 1381 hectares.
- Our first 'carbon trade' was completed – it involved the sale of voluntary emissions reductions units (VERs) to an overseas buyer, which generated a surplus of \$120,000.
- The Wellington College artificial sportsfield was officially opened in late March. The field has permanent markings for football and rugby but can also be used for other sports. We have contributed \$660,000 towards the cost. Planning has started for the St Patrick's College artificial sportsfield. We are contributing up to \$800,000 towards the project cost.
- The pool enclosure at Khandallah School, supported with a \$420,000 School Pools Partnership Fund grant, was opened.
- Additional floodlights have been installed on the number 2 field at Wakefield Park and remote floodlighting controls have been installed at Wakefield, Te Whaea (Newtown) and Nairnville (Khandallah) allowing the lights to be controlled by text message.
- A number of significant national sports tournaments have been held at the ASB Sports Centre. The centre was also used for training by a Korean university and high school basketball team visiting Wellington.
- We were re-accredited as an International Safe Community by the World Health Organisation Collaborating Centre on Community Safety having completed an application on how Wellington City met the six criteria.
- Work started on the redevelopment of the Overseas Passenger Terminal. Construction progressed well with half of the existing building demolished to the level of the wharf. The completion date is expected to be late in 2014.
- The new bus lanes on Courtenay Place, Kent and Cambridge Terraces and Adelaide Road were installed in February. In the case of Courtenay Place, it is planned to follow up the bus lane introduction by converting the two remaining zebra crossings to traffic signals to improve bus operations and pedestrian safety during the next quarter.
- Construction on the Westchester Drive extension at Churton Park is on track and due for completion by the end of 2012. Work is progressing well on bridges at both ends of the extension. Bridges at either end of the project are expected to be completed by May which will provide improved access to the site.
- Work on the Long-Term Plan began in earnest – with extensive community consultation and then deliberations by the Strategy and Policy Committee in March. The meetings were informed by the Government's announcement of its 'Better Local Government' proposals earlier in the month. The Council's LTP focus is on fulfilling the strategic direction of Wellington Towards 2040: Smart Capital, and supporting projects that make the city safer and more resilient. The Council is proposing the adoption of rates targets and rates limits set out in a new financial strategy.