
Wellington City Council 2014/15 Summary Annual Report



Welcome to our summary of the 2014/15 Annual Report

In this summary you will see highlights of what we have achieved over the past year, how we performed and what it cost.

A summary of our financial performance and position is included. You will see that the year was a successful one for Wellington and the city is in great shape. Together we have the people and financial capacity to do more.

We look forward to working with you as we step up our investment in and commitment to our ambitious plan for sustainable and inclusive growth in our beautiful capital.



CELIA WADE-BROWN
Mayor

25 September 2015



KEVIN LAVERY
Chief Executive

25 September 2015



ANDY MATTHEWS
Chief Financial Officer

25 September 2015

We have all the lifestyle requirements, natural beauty, compactness, a creative vibe and a quiet ambition that makes anything possible.



Explaining our work

This report highlights our performance for each of our strategic activity areas. You will find information about the state of the city - everything from the transport network, the state of the environment and the strength of Wellington's communities. We also describe how each activity area contributes towards our community outcomes.

For each activity we explain:

- **what we do** - an outline of the scope of our work under the activity
- **what we achieved** - a description of milestones achieved during the year
- **how we performed** - an outline of results against targets. We place these in the context of past results and next year's targets where appropriate
- **what it cost** - a summary financial table for each activity area.

Providing, maintaining and improving core and existing services

The Council provides a range of core regulatory services and functions for residents and ratepayers including:

- public health and safety
- building and development control
- waste collection and reduction.

Our work to deliver core infrastructure and services is concentrated in three areas:

- enabling democratic local decision-making
- maintaining strong, resilient infrastructure
- providing core services and functions.

Investing to grow

WELLINGTON CAN BE A WORLD-CLASS CITY WHERE TALENT WANTS TO LIVE

Cities like Wellington compete on the global stage. We compete with other city regions to attract people, students, jobs, businesses, trade and investment. Without ongoing investment and improvements to the city, we will lose our comparative advantage as an attractive place for skilled migrants and businesses.

Our recently adopted Long-term Plan 2015/25 outlines a strong investment programme that will position Wellington and its communities for a stronger and more prosperous future.

Wellington has the best educated, most creative and tech-savvy people in New Zealand, high quality tertiary institutions, lots of smart businesses and a great culture.

We also have all the lifestyle requirements, natural beauty, compactness, creative vibe, open attitudes, and a quiet ambition that makes anything possible.

Even though our economy hasn't performed as strongly as some other cities, Wellington has a clear vision that neatly encapsulates its strengths and values and will position it well for the future as a city that is sustainable, dynamic, connected and people- and eco-centred.

To become this city, we need a stronger economy and a growing ratepayer base. The stronger the economy, the faster the ratepayer base grows. The faster the ratepayer base grows, the more we can invest in the city.

In the past 10 years the Council has invested in city infrastructure and services for the community.

While the key spending priority has been on infrastructure, there have been big increases in spending on community sport and recreation facilities, tourism promotion and events.

The Council's financial position is strong and we have the opportunity and resources to do more, if we choose to. We have an AA credit rating with Standard and Poor's, our rates are not as high as many of our neighbours and we have relatively low debt.

By basing our investment strategy on these factors, we can:

- retain our high quality of life and excellent services
- achieve real transformation of Wellington's economy, create opportunities for future investment, jobs for our people and improved quality of life.

WE HAVE COMMITTED TO A GROWTH AGENDA

Our role is to support and enable the city's entrepreneurs, investors, researchers and workers to succeed. We have committed to:

- **being open for business** - we will remove red tape, make regulations clear and be customer-focussed
- **doing our core jobs well** - we will deliver our services as efficiently and effectively as possible
- **bringing people together** - we will enable people and organisations to connect so they can create jobs and business opportunities
- **investing for growth** - we will invest in projects that make a real difference to the local economy and people.

WE'VE ALREADY MADE A START

We have already made a start on projects that will achieve our goals, including:

- establishing, with other councils, the Wellington Regional Economic Development Agency (WREDA)
- joining up back-office and IT services with other councils in the region
- contributing \$1 million to the airport runway extension consent application costs
- establishing the Wellington Economic Initiative Development (WEID) Fund and investing in Destination Wellington
- reducing development contributions.

We will also work with others over the coming years to make the city's transport system more efficient by prioritising public transport, investing in new cycleways and walkways and reducing bottlenecks on the road network.

We are maintaining existing levels of service for pools, recreation centres, sports fields and other Council-funded facilities. Our focus is on accommodating demand within existing facilities where possible, as we want to make use of the capacity in the community facilities we already have invested in, before we face the expense of adding more. In line with this broad strategy, we allocated additional funding to support school pools in their operations to ensure they are of a good standard and well-utilised by the community.

We will also continue to work towards, and have allocated additional resources to, ending homelessness and including the most vulnerable citizens in city life.

Our future programme includes projects aimed at growing the local economy such as:

- a convention centre
- a film museum to celebrate Wellington's film sector and attract international tourists
- airport runway extension to provide direct flights to Asia and beyond
- a CBD tech precinct to connect people in high-tech industries
- providing better transport choices.



LANE
BUS

LANE
BUS

CAMBRIDGE TCE

30



***We will invest in growth that
will make a real difference...***

1

Governance Pārongo ā-tāone

WHAT WE DO

Our decisions need to reflect the services that matter to the community and how much they are willing to pay for them. We ensure people are well-informed and can contribute meaningfully to Council decision-making processes. The Local Government Act 2002 sets out the decision-making, planning and accountability procedures expected of local authorities.

We are also required to keep a record of our work and provide access to the information we hold. City Archives preserves and makes available a huge range of primary information about the city's history.

We ensure the special position of mana whenua Ngāti Toa Rangatira and Taranaki Whānui ki te Upoko o te Ika is acknowledged and reflected in the way we make decisions about the city and its resources. We ensure their contribution to Wellington's heritage and future is fully and publicly acknowledged. We work with mana whenua to explore opportunities for the city emerging from settlement of their historic Treaty of Waitangi claims and engage with the wider Māori community in particular on issues of specific interest to them.

OUR GOVERNANCE ACTIVITIES CONTRIBUTE TO US BEING

People-centred - They enhance trust and confidence in civic decision-making and encourage the community to participate in city governance. They also promote inclusiveness, celebrate social and cultural diversity and enable us to respond to the needs and aspirations of Māori and mana whenua.

Connected - Providing information about our services allows people to use the city's services, facilities and activities.

WHAT WE ACHIEVED

This year we:

Set the council's strategic direction through the development, adoption and implementation of a Long-term Plan.

Engaged with Wellington residents through the live-streaming of Council meetings so that residents can watch issues being debated and voted on. Enhanced democratic ideals by realigning the Council's Governance structure enhancing the involvement of all councillors in all major decisions of the council.

Enhanced our ability to make decisions on important community issues and our District Licensing Committees (DLCs) considered and determined all alcohol licences and managers' certificate applications for the Wellington district.

Supported community events and assisted with this year's Matariki celebrations delivering around 100 events.

Continue to engage our iwi partners and the wider Māori community on a regular basis on many strategy and policy matters.

HOW WE PERFORMED

We improved customer satisfaction with our information and engagement work, continued to meet our legislative obligations for information accessibility and our performance in this regard has improved. Our service centre is very good at responding to enquiries and residents are highly satisfied with the services provided by the City Archives.

We continue to foster a positive relationship with both of our iwi partners.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Governance, information and engagement	14,678	\$1.41
Māori and mana whenua partnerships	202	\$0.02
Total governance	14,880	\$1.43

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Environment Taiao

WHAT WE DO

We preserve the city's unique environment, protect and restore its biodiversity and enhance the city's unique 'sense of place'. We also provide attractive, safe and accessible spaces for leisure and recreation.

We supply water, waste and stormwater services, provide waste disposal and recycling services. We promote a sustainable city, encourage waste minimisation and promote energy efficiency and conservation.

We support and fund the Wellington Zoo and Zealandia.

OUR ENVIRONMENT ACTIVITIES CONTRIBUTE TO US BEING

People-centred - High quality natural environments enhance Wellington's unique 'sense of place', making it an even better place to live, work and play. They attract visitors and provide attractive, safe and accessible opportunities for leisure and recreation.

Connected - Accessible and high quality natural and green environments encourage people to gather, share activities and connect with each other. Networks of green spaces and corridors link the city with its coastline and beaches. Conservation connects people with the environment and links the present to the future.

Eco-city - High quality natural and green environments protect and enhance our biodiversity and contribute to off-setting our carbon emissions. They model Wellington's leadership role as capital city of a clean and green New Zealand and as a leading sustainable city of the 21st Century.

Dynamic central city - A reliable and adequate supply of clean and safe water is critical for people to live, work study and play in the central city and increasingly it will distinguish Wellington from other cities as a desirable and healthy place to live and establish a business.

WHAT WE ACHIEVED

This year we:

Finalised our biodiversity strategy and developed an implementation plan to protect and restore the City's indigenous biodiversity. We successfully germinated the regionally rare Kirk's Daisy and helped save the native daisy.

Increased the funding available for pest control initiatives over the next ten years and maintained and beautified our beaches and coast.

Upgraded our Town Belt, planted 80,845 plants in partnership with our community groups and managed the botanic gardens for the benefit of everyone.

Were among the first cities accepted into the 100 Resilient Cities Network to receive technical support and resources over 3 years.

Produced regional greenhouse inventories, supported the Warm-Up New Zealand: Healthy Homes project and the Home Energy Saver programme.

Reduced our carbon liability for the 2014 calendar year by 37% compared with the default emissions factor.

Undertook and supported smart energy projects such as the Wellington Smart Buildings Programme, installation of solar PV arrays on 16 Wellington schools and celebrated year 2 of the Smart Energy Challenge - all as part of being a smart energy capital.

Supported a national food waste prevention project to divert food waste from landfill by using initiatives like our Kai to Compost service.

Checked the seismic resilience of water reservoirs, pump stations, telemetry systems and critical pipeline fittings and improved our water network resilience.

Constructed a new reservoir, renewed water mains and upgraded the Karori pump station.

Progressed a pilot programme to investigate and evaluate how private drains contribute to wastewater overflows.

Reduced sewage pollution in three priority catchments and are in the process of developing Integrated Catchment Management Plans (ICMP) for the city.

Supported the Wellington Zoo and Zealandia in their conservation efforts.

HOW WE PERFORMED

The city's gardens, beaches and green open spaces offer good value for money, are highly used by satisfied residents and maintained to a high standard.

Waste disposal and recycling services are well used by residents who are satisfied with the services we provide. Efforts to reduce our environmental footprint continue, with high use of recycling services, and a focus on renewable energy generation and waste mitigation.

Our water supply, wastewater and stormwater networks are of very good quality, outages are rare and services are delivered to a high standard. Customers continue to be very satisfied with the services we provide. We continue to work on mitigating freshwater contamination and our sewage network remains fully compliant with its resource consent. While flooding incidents have been recorded, these often result from extreme weather events outside of our control.

Our water supply is of very good quality, outages are rare and services are delivered to a high standard. This year we complied with all relevant water standards and individual and collective water consumption levels did not exceed target.

Performance has been excellent this year, with record visitor numbers at Zealandia and consistently high levels at the Wellington Zoo. This year, we also exceeded our target for education programme attendees.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Gardens, beaches and green open spaces	29,729	\$2.86
Waste reduction and energy conservation	13,031	\$1.25
Water	37,116	\$3.57
Wastewater	40,681	\$3.91
Stormwater	16,526	\$1.59
Conservation attractions	6,104	\$0.59
Total environment	143,187	\$13.77

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Economic development Whanaketanga ōhanga

WHAT WE DO

Wellington's economic prosperity is closely linked to residents' quality of life. Prosperity provides the resources for businesses, the Council and individuals to contribute to the vibrancy of the city and invest in its future development. Our promotions and business support activities are closely linked to Grow Wellington's work. Working with other institutions in the region ensures that we use our resources effectively.

OUR ECONOMIC DEVELOPMENT ACTIVITIES CONTRIBUTE TO US BEING

People-centred - Our activities make Wellington a vibrant and entertaining place to live. They connect people with places and ideas, make Wellington an attractive place to live and do business and attract tens of thousands of visitors to the city every year.

Connected - Major events, our performance spaces and conference venues connect us to artists and events of national and international significance, and Wellington's story is connected to the world by Positively Wellington Tourism's marketing and promotion. Event-based websites and social media platforms are connecting people to what is on and how they can be there.

Dynamic central city - Our events, festivals, spaces and venues anchor Wellington's appeal as a place of creativity, exploration, innovation and excitement. Iconic events such as the World of WearableArt® awards show (WOW), the New Zealand Festival and the International Rugby Sevens are world class and an integral part of our dynamic central city.

WHAT WE ACHIEVED

This year we:

Supported arts and cultural events and hosted major sporting events that contributed to Wellington's economy with direct spend by out of town visitors of \$35 million and an increase in GDP in the city by \$40 million.

Continued the establishment of Business Improvement Districts (BIDS), following the successful BID in Miramar and provided funding to foster economic growth. The Wellington Economic Initiative Development (WEID) fund completed its second year of providing funding to events and initiatives.

Established WREDA, in partnership with the Greater Wellington Regional Council (GWRC) which incorporates the former tourism, venues management, major event and Destination Wellington activities of Wellington City Council, together with the activities of Grow Wellington.

Advanced the runway extension at Wellington Airport and continue to work towards delivering a convention centre to Wellington. Supported the Basin Reserve Trust in developing a masterplan.

Made significant progress toward the establishment of a Wellington Technology Hub and supported technology events and activities through the WEID fund. Connected more people over the past year as the CBDFree wifi project was expanded. Usage increased nearly 300% to 6,816,785 sessions over the year.

HOW WE PERFORMED

Our investments in economic development have been very successful. We had more people attending events, more visitors coming to Wellington and more money being injected into the local economy.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
City promotions and business support	42,921	\$4.13
Total economic development	42,921	\$4.13

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Cultural wellbeing Oranga ahurea

WHAT WE DO

Our arts activities ensure Wellington builds on its reputation as New Zealand's arts and culture capital by continuing to be home to top-class museums and art galleries, orchestras, dance and theatre companies. A strong arts and culture sector contributes to a diverse economy, a creative identity and connected communities, which is why we live here.

We also support the arts activities in our communities and those of arts organisations through our funding of the Wellington Museums Trust, the Public Arts Fund, the Cultural Grants Pool and the Creative Communities Scheme.

OUR CULTURAL WELLBEING ACTIVITIES CONTRIBUTE TO US BEING

People-centred - They shape Wellington's sense of place and identity. They celebrate creativity, ideas and increase our understanding of culture and history. By enabling Wellington's creative communities to thrive, they promote inclusive, tolerant and strong communities.

Connected - They provide ideas and places where people can connect, share and explore what is new and different. They connect the present with the past and the future. Events and collaborations connect us with people, places and ideas here and abroad.

Dynamic central city - They enhance Wellington's vibrancy as a diverse city where people want to live, work and play.

WHAT WE ACHIEVED

This year we:

Supported artists, 69 public arts projects and regional arts and cultural festivals such as the New Zealand Festival, Matariki, Summer City and the 26th Artsplash Children's Arts Festival.

Completed several significant mural projects and celebrated Toi Pōneke Arts Centre's 10-year anniversary.

Commemorated the 100th anniversary of World War 1 with a range of activities including major commemorations for Anzac Week. Thousands of spectators watched the Street Parade on 24 April, which included 16 vintage World War 1 vehicles from Sir Peter Jackson's personal collection and an original American Field Service ambulance. The spectacular light and sound show, WW1 Remembered: A Light and Sound Show, featured imagery from our military history projected onto the facades of the former Dominion Museum and the Carillon.

HOW WE PERFORMED

The numbers of people attending festivals and events were high and their contribution to the city's economy is increasing. This year, Te Papa recorded extremely high visitor numbers, we continued to support cultural activities and residents remained satisfied with the services we provide.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Arts and cultural activities	19,077	\$1.83
Total cultural wellbeing	19,077	\$1.83

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Social and recreation Pāpori me to kākinakina

WHAT WE DO

Our sporting and recreation facilities encourage people of all ages to engage in activities that help them live more active and healthy lives. Some facilities also attract visitors and raise the city's profile by hosting national and international events.

We want Wellington to be a people-centred city that supports diverse and inclusive communities and supports a network of community spaces and libraries to provide a focal point for community activities and programmes. We also support community leadership and advocacy to strengthen community resilience and safety.

We partner with the New Zealand Police and social agencies to coordinate a city-wide approach to homelessness and provide stability for vulnerable households through social housing, with a focus on tenant welfare.

Public confidence in the safety of the city's streets and suburbs is a top priority and Wellington has a reputation of being a safe city with a vibrant CBD, which we wish to retain. Wellington's location makes earthquake-preparedness particularly important, though the city is also at risk of other civil emergencies, such as flooding and tsunamis. We have legislative obligations to maintain public health standards by regulating food and liquor outlets, animals, trade waste and managing environmental noise problems. We also provide public toilets, cemeteries and crematorium services as a vital public health function.

OUR SOCIAL AND RECREATION ACTIVITIES CONTRIBUTE TO US BEING

People-centred - Access to recreation opportunities is important for people's health and wellbeing. Our recreation facilities provide a wide range of health and wellbeing benefits to the people who use them.

Connected - They help people and communities connect and engage with each other and foster the exchange of knowledge and ideas through social, physical and virtual networks.

Dynamic central city - They respond to the diversity of individual and community needs and promote a safe and vibrant city for people to live, work and play.

WHAT WE ACHIEVED

This year we:

Completed upgrades of sportsfields at Nairnville and Redwood Parks and made our playgrounds better places for our children to play.

Hosted a range of local, regional, national and international sporting competitions in a range of sports.

Upgraded the Keith Spry Pool in Johnsonville to include a warm-water teaching pool, new children's play pool and the provision of larger general changing facilities, along with increased family and disabled changing rooms.

We won awards for our housing upgrades and tenant engagement, completed year 7 of 20 of the housing upgrade programme and completed 27 new apartments and moved new tenants in.

Undertook a desktop geotechnical study for the site of the Johnsonville Library project.

Supported the Kaka Project and funded children's literacy programmes.

Endorsed the Te Mahana strategy and worked with strategic partners and frontline agencies to promote collaborative approaches to tackling homelessness.

Kept our communities, citizens and city safe and healthy and continued our focus on improved accessibility. We developed a new Emergency Preparedness resource in collaboration with community stakeholders, WREMO and MCDEM.

Supported Anzac day celebrations and assisted with 16 events, provided decorative flags, posters, bunting and wine barrels filled with poppies to 13 community centres throughout Wellington.

Regulated public health and the number of closure notices we issued for food businesses was considerably less than previous years. We also held more District Licensing Committee hearings, which enabled the public to have their say about alcohol licensing applications.

Partnered with NZ Police and Community Patrols NZ to establish a Pasifika Community Patrol, while Local Hosts have expanded to the suburbs of Newtown, Kilbirnie and Miramar.

HOW WE PERFORMED

User satisfaction with most recreation services and facilities has remained steady and perceptions of value for money have improved and usage levels of many of our facilities are similar to previous years.

Residents' use and satisfaction with our libraries and recreation programmes remain high, although in some cases access could be improved. Our housing services continue to be of very good quality and are highly rated by tenants. The support we provide in the community also remains highly effective.

As a result of our work, the city is safer and healthier, our response times remain consistently fast and residents are satisfied that our services are of a high quality.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Recreation promotion and support	37,751	\$3.63
Community support	52,437	\$5.04
Public health and safety	13,155	\$1.26
Total social and recreation	103,343	\$9.93

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Urban development Tāone tupu ora

WHAT WE DO

The Council is required to prepare a District Plan under the Resource Management Act 1991. This plan is the primary document that manages land use and development within the Council's territorial boundaries. Urban planning provides guidance on how and where the city should grow. This retains the things residents like about Wellington, its compactness, the "heart" around the city centre and harbour, and the character of its hillside residential areas.

We also look after public spaces, including the waterfront and development of these spaces enhances people's enjoyment of the city and contributes to our civic pride and 'sense of place'.

Like all cities, we control building and development work according to the provisions of the Building Act 1991, the Resource Management Act 1991 and the District Plan. These controls are necessary to ensure that buildings are safe and compliant with the Building Code, resources are used sustainably for future generations and that public's health and safety are protected. They're also needed to protect urban character and to preserve the city's heritage.

We also have a statutory requirement to administer an Earthquake-prone Buildings Policy. The policy sets out processes to identify buildings that are below the required earthquake standards, the requirements and timeframes for building owners to bring them up to the necessary standard.

OUR URBAN DEVELOPMENT ACTIVITIES CONTRIBUTE TO US BEING

People-centred - They promote the adequacy and safety of our homes and buildings and reduce the risks of injury and damage from earthquakes

Connected - They connect people with places and make them easy to find and functional.

Eco-city - They promote intensive development rather than sprawl into green spaces and encourage the greening of streets, buildings and places. They promote walking and using buses and bikes.

Dynamic central city - They promote accessible and safe places where people want to live, work, and play, and where they can meet to share events and ideas. They encourage a built form and urban culture that reflect the energy and diversity of the people and they shape a place where ideas, innovation and difference can be expressed and supported.

WHAT WE ACHIEVED

This year we:

Used the Built Heritage Incentive Fund to focus on heritage areas in Newtown and Cuba Street and enabled listed heritage building owners to access Council grant funding to assist with seismic strengthening projects.

Funded upgrade projects in the CBD to commemorate World War 1, which formed the foundations of Wellington's 100 year commemoration of the landing of New Zealand troops at Gallipoli.

Upgraded, refurbished and beautified our town centres and streets through a series of small tactical projects, such as the 'green lantern' celebrating 121 years of women's suffrage in New Zealand, the Kilbirnie Phase II project, which aims to create a safer, more attractive, environment for the local community and businesses and the transformation of Bond Street into a shared space that drastically changed the way the street looked and was used.

Collaborated with the greenwall industry, our parks team, developers and constructors to deliver the greenwall in Civic Square, and to inform people about and advocate for the use of greenwalls around the city.

Made amendments to the rates remission policy to increase resilience so that earthquake prone buildings with a Heritage NZ listing are eligible for a longer rates remission of up to 10 years.

Continued with the strengthening of our own buildings and the strengthening of heritage buildings such as the Clarrie Gibbons building in Post Office Square and Thistle Hall. The removal of the Portico was also completed, improving the seismic performance of the City Library and the Civic Administration Building.

Arranged for the assessment of 33 homes as part of the 'Quakesafe' initiative.

HOW WE PERFORMED

This year, while some measures did not reach their target, our performance has improved and residents are satisfied with the character of the central city and waterfront. Our efforts to preserve the city's heritage continue.

In most cases we complied with legislative requirements for timeliness and customers were increasingly satisfied with our services. While we did not achieve all our goals for mitigating earthquake risk, we are working towards reaching this target in future years.

WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Urban development, heritage and public spaces development	17,250	\$1.66
Building and development control	20,050	\$1.93
Total urban development	37,300	\$3.59



Transport Waka

WHAT WE DO

Wellingtonians are the highest users of public transport in New Zealand and between 200,000 and 300,000 people use some form of the city's public transport network daily. Among other things, our transport network offers Wellingtonians bridges, tunnels, bus shelters and approximately 18,000 street lights. An effective public transport network helps reduce congestion and the city's carbon emissions and a high proportion of residents walk and cycle to work, thereby reducing private vehicle usage.

We provide approximately 10% of the parking in central Wellington. This consists mainly of around 12,000 on-street parking spaces, of which 3,400 are in the CBD, along with some off-street parking and street spaces for taxis, couriers, people with disabilities, bus stops and diplomatic services. We also manage off-street parking at Clifton Terrace, the Michael Fowler Centre and beneath Civic Square.

OUR TRANSPORT ACTIVITIES CONTRIBUTE TO US BEING

People-centred - They provide people with accessible and safe transport choices, from their homes to shops, for work, recreation and pleasure, including walkways and bikeways.

Connected - They allow people to connect with people and places in the central city for businesses, work or leisure.

Eco-city - They reflect a commitment to sustainable, safe and efficient transport choices, including walking and biking.

Dynamic central city - They provide for easy and affordable movement to and around the central city, especially by walking. They link people with places, events, activities and with commerce, business and trade.

WHAT WE ACHIEVED

This year we:

Implemented a Cycling Framework and over the next 10 years, we will establish a strategic cycling network and improve local cycling routes.

Worked with GWRC and New Zealand Transport Agency (NZTA) on Wellington Public Transport Spine and completed an assessment of physical corridor constraints and opportunities for improved bus operations along the "core" Bus Rapid Transport (BRT) spine, whilst also looking at the needs of cyclists in this area. Continue to work with the NZTA on their planning for the Roads of National Significance projects, including the Basin Reserve to Cobham Drive and Terrace Tunnel duplication.

Strengthened our tunnels, bridges and roads and improved our street lighting by installing new LED street lights in Cuba Mall. These lights have raised the level of lighting to be consistent with Courtenay Place and the Victoria Street upgrade works, and have reduced power consumption in Cuba Mall by almost 80%. LED lights have also been installed on Grenada Road.

Successfully brought our parking services in-house, as of July 2014, with a complete overhaul of staff roles, including new branding, technology and aligned customer services.

Upgraded our technology, introduced a parking sensors trial that focussed on two streets in Wellington, Blair and Allen Streets, for their unique parking urban design.

HOW WE PERFORMED

We have not reached all our targets for ease of movement around the city or peak travel times, although mode of transport levels have remained steady, and more people are cycling into the CBD. Our transport infrastructure is of a high quality and resident satisfaction with our services is growing. While our quarry target was not achieved, any non-compliance events were not considered major and we are working on resolving these issues.

This year parking turn-over rates remained largely steady and average occupancy increased. While resident satisfaction levels did not meet target, there has been a significant improvement in residents' perception that parking enforcement is fair.

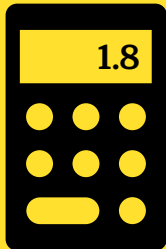
WHAT IT COST

ACTIVITY COMPONENT	TOTAL COST (\$000)	COST PER RESIDENT PER WEEK
Transport	43,539	\$4.19
Parking	10,354	\$0.99
Total transport	53,893	\$5.18

***The City's rating base grew...
the local economy is picking up,
setting a platform for the invest
to grow strategy...***



Financial highlights



**\$1.8
million**

underlying net surplus

**\$12.4
million**

assets vested to the City

\$5.95

cost per resident per day

**\$146.5
million**

spent on assets

AA

credit rating maintained

Financial summary

The following pages provide a summary of the Council's financial performance. The information has been extracted from the Council's Annual Report for the year ended 30 June 2015.

Financial highlights

We have had another well managed year, with the Council recording an underlying net surplus of \$1.8 million, compared to a breakeven budget. This equates to a variance of 0.4% of total operating expenditure. We have delivered our broad range of services from roading and sewerage to parks, pools, sportsfields and libraries, at a cost of just \$5.95 per resident per day, an increase of 2.2% over last year.

In addition to maintaining the high standard of delivery for all our services, a key goal for this year was to increase our focus on growing the economy and encouraging development. The resulting growth in the rating base means there are more ratepayers to spread the cost of delivering services across. The City's rating base grew by 1.4% in 2014/15 indicating the local economy is picking up, setting a platform for the invest to grow strategy that underpins our LTP 2015/25.

A further indicator of growth in the City is the level of assets vested to the Council. Vested Assets are non-cash items such as roads, streetlights, water, waste water, and storm water pipes that often arise from sub-division work undertaken. In addition to \$2.1 million of development contributions received, \$12.4 million of assets were vested to the City during the year, an increase of \$3.8 million (44%) over the last 5 year average. This takes Vested Assets passed to the Council to \$31.5 million over the last 3 years.

By improving our planning, forecasting and delivery processes we have been able to better manage the expectations of our asset renewal and upgrade budgets this year. Total capital expenditure for the year was \$146.5 million compared to a budget (including carry forwards) of \$166.9 million. This difference primarily relates to the anticipated deferral of significant upgrade projects including earthquake strengthening of the Town Hall and increasing the capacity of the city landfill along with some delays in completion of social housing and swimming pool projects.

We have met 12 out of 13 benchmarks required to be disclosed under the Financial Reporting and Prudence regulations. The purpose of these benchmarks is to enable an assessment of whether we are prudently managing our finances. They are summarised later in this overview and reported in detail in the Annual Report.

Summary Statement of Comprehensive Revenue and Expense

	COUNCIL			GROUP	
	ACTUAL 2015 \$m	BUDGET 2015 \$m	ACTUAL 2014 \$m	ACTUAL 2015 \$m	ACTUAL 2014 \$m
Total revenue	469.9	450.2	451.9	480.9	456.7
Total expense (excluding finance expense)	(411.2)	(400.8)	(401.5)	(432.3)	(418.9)
Finance expense	(23.2)	(23.0)	(22.8)	(23.2)	(22.8)
Total operating surplus	35.5	26.4	27.6	25.4	15.0
Share of equity accounted surplus from associates	-	-	-	11.6	15.2
Net surplus before taxation	35.5	26.4	27.6	37.0	30.2
Income tax expense	-	-	-	(0.6)	-
NET SURPLUS FOR THE YEAR	35.5	26.4	27.6	36.4	30.2
OTHER COMPREHENSIVE REVENUE AND EXPENSE					
Revaluations	11.2	57.1	(45.3)	11.2	(47.1)
Cash flow hedges	(17.1)	-	9.5	(17.1)	9.5
Fair value through other comprehensive revenue and expense	0.1	-	-	0.4	-
Non-controlling interest	-	-	-	0.3	-
Share of other comprehensive revenue and expense of associates and jointly controlled entities	-	-	-	3.9	-
Total other comprehensive revenue and expense	(5.8)	57.1	(35.8)	(1.3)	(37.6)
TOTAL COMPREHENSIVE REVENUE/(EXPENSE)	29.7	83.5	(8.2)	35.1	(7.4)

The 'Council' column includes Wellington City Council, Wellington Venues Project and joint ventures with Porirua City Council. The 'Group' covers the 'Council' and its interests in associate and controlled entities, including Wellington International Airport Limited and Council Controlled Organisations such as Wellington Regional Economic Development Agency Limited and Wellington Water Limited. A diagram of the structure of Council and Group can be found in Note 33 of the Financial Statements in the Annual Report.

UNDERLYING OPERATING RESULT

Our balanced budget requirement means we budgeted for a break-even underlying operating result. The main contributors to our \$1.8 million underlying surplus are summarised in the table below.

	ACTUAL 2015 \$m
UNBUDGETED REVENUE/EXPENDITURE	
Restatement of weathertight homes provision	(1.0)
Insurance costs (net of recoveries) funded through insurance reserve	(1.6)
Total unbudgeted revenue/expenditure	(2.6)
VARIATIONS FROM BUDGET	
Decrease in rates revenue	(0.5)
Decrease in revenue from activities	(0.3)
Dividends in excess of budget (including Wellington International Airport Limited)	2.0
WIAL resource consent contribution	(2.0)
Decrease in net interest expense	2.8
Decrease in depreciation	3.9
Other net variances	(1.5)
Total significant variations from budget	4.4
COUNCIL UNDERLYING VARIANCE EXCLUDING RING-FENCED AMOUNTS	1.8

NET SURPLUS¹

The Council's financial statements show the impact of the underlying surplus, plus a number of items, including revenue received for capital projects not available to offset rates. For example, subsidies paid by NZTA to help fund the renewal and upgrade of our roading network. Accounting rules require these to be included within the net surplus even though the related capital expenditure is not. The operating surplus in the financial statements also includes a number of other non-cash items including the value of assets which are vested to Council by external parties and the increase in valuation of Investment Properties. With the inclusion of these adjustments, the Council budgeted for an operating surplus of \$26.4 million for the 2014/15 year. The actual surplus for the year is \$35.5 million; noting that this difference can be attributed to items that are both non-cash in nature and not available to offset rates.

The table below shows the key items that contribute to the Council's net operating surplus for the year as recorded in the financial statements.

	Actual 2015 \$m	Budget 2015 \$m	Variance 2015 \$m
Underlying surplus	1.8	-	1.8
Exclude non-cash funded items	(4.5)	(19.6)	15.1
Exclude revenue for capital items	35.9	45.4	(9.5)
Other adjustments	2.3	0.6	1.7
REPORTED NET SURPLUS	35.5	26.4	9.1

¹ Annual Report, Statement of Comprehensive Revenue and Expense, page 123

OTHER ITEMS

In addition to the net surplus, the Statement of Comprehensive Revenue and Expense also includes revaluation movements for property, plant and equipment and other fair value adjustments. While these do not impact our funding requirement they do have an impact on our equity.

In 2015 we revalued our operational land and building assets, in line with our three yearly revaluation policy. Our 2014/15 Annual Plan budgeted for an increase of \$57.1 million reflecting the anticipated increase value since the last revaluation in 2012.

The actual revaluation of these assets resulted in an increase in asset values of \$11.2 million reflecting lower increase in values of social housing and associated land than anticipated.

The increase in asset values caused by revaluation are non-cash in nature and are restating our assets (that are being revalued) into current dollar value after taking into account land value and condition of Housing stock.

During the year we recorded net Comprehensive Revenue and Expense of \$29.7 million, this increases our overall equity by approximately 0.5%. This is explained further in the Financial Position and Changes In Net Worth sections of this overview.

REVENUE²

Deciding who pays

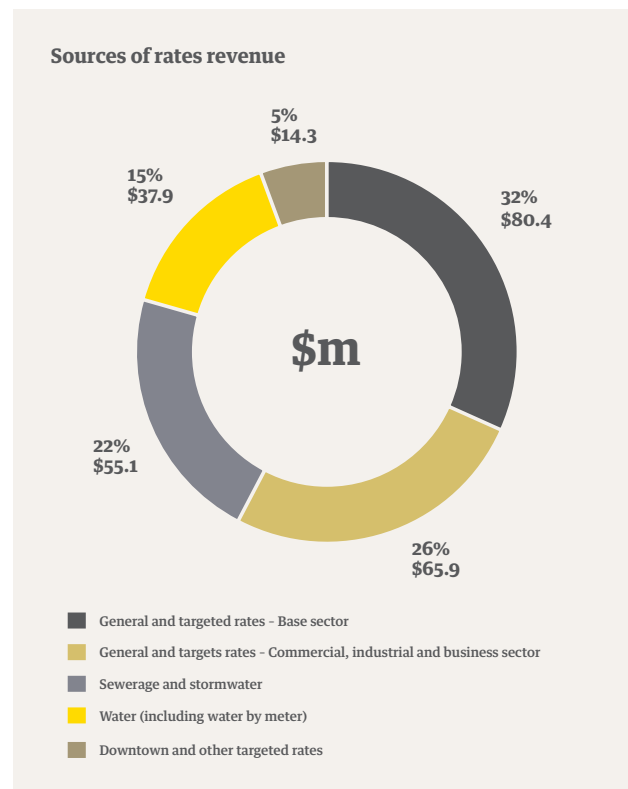
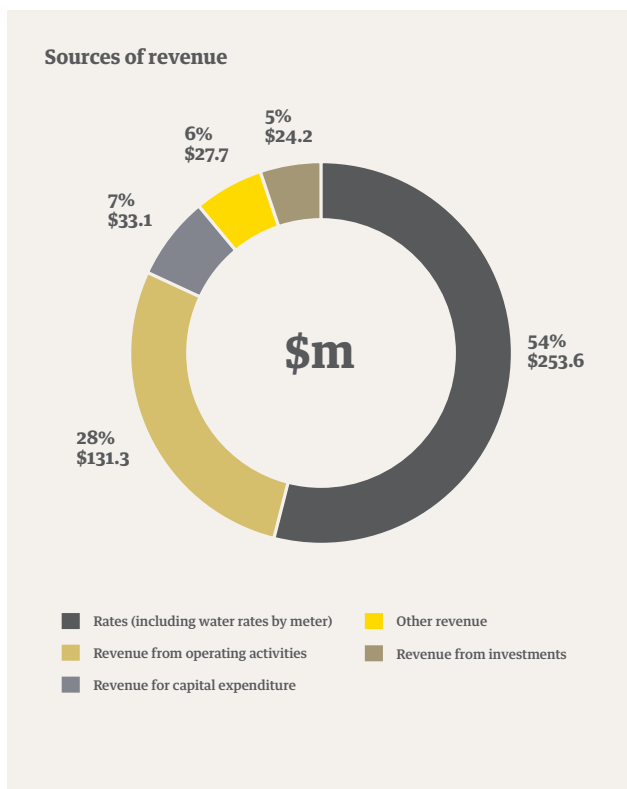
When we are deciding how to fund an activity (whether to use rates, user charges or other sources of revenue), we consider:

- community outcomes that the activity contributes to
- who benefits - individuals, identifiable parts of the community, or the community as a whole
- the timeframe in which the benefit occurs - for example, an asset that lasts for several generations will generally be funded initially through borrowing - with ratepayers paying their share each year by funding depreciation on the asset (which pays off borrowing), so that everyone who benefits, present and future, contributes.

Our Revenue and Financing Policy sets out how each activity will be funded based on these criteria. The policy is available on our website www.wellington.govt.nz

During the year we received total revenue of \$469.9 million compared to a budget of \$450.2 million. The variance is largely due to unbudgeted vested assets (which while are not cash in nature are required to be shown as revenue) and higher than expected revenue from Wellington Venues and our share in joint ventures with Porirua City Council.

2 Annual Report, Statement of Comprehensive Revenue and Expense, page 123

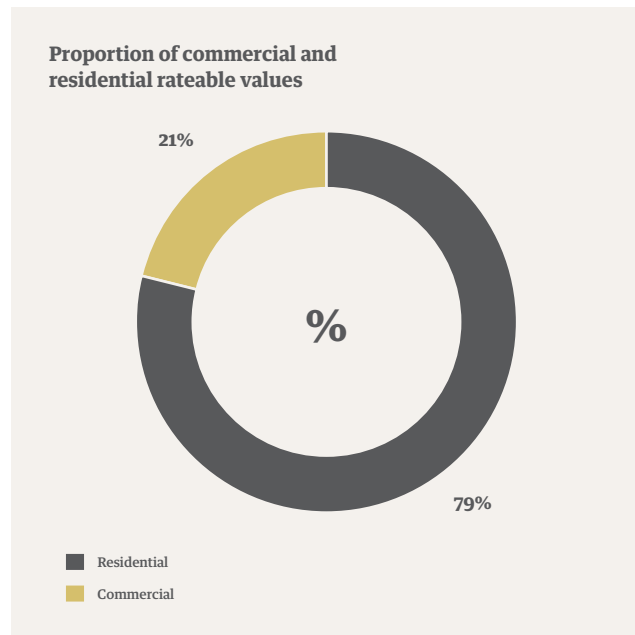
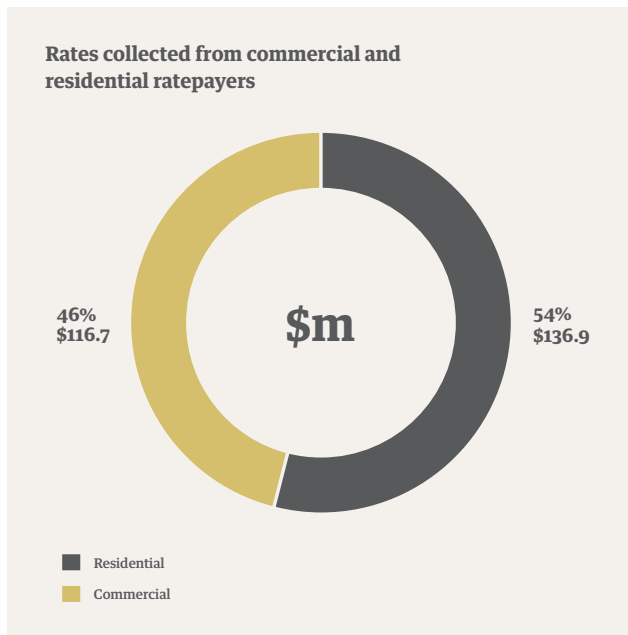


Rates are our main source of funding, with revenue from operating activities (including user fees), being the next largest source. Some of our other sources of revenue include revenue for capital expenditure, revenue from interest and dividends.

In 2015 we received \$253.6 million of revenue from rates.³ Rates revenue include general rates levied on properties and a range of targeted rates including water, stormwater and sewerage rates, along with sector and area based rates.

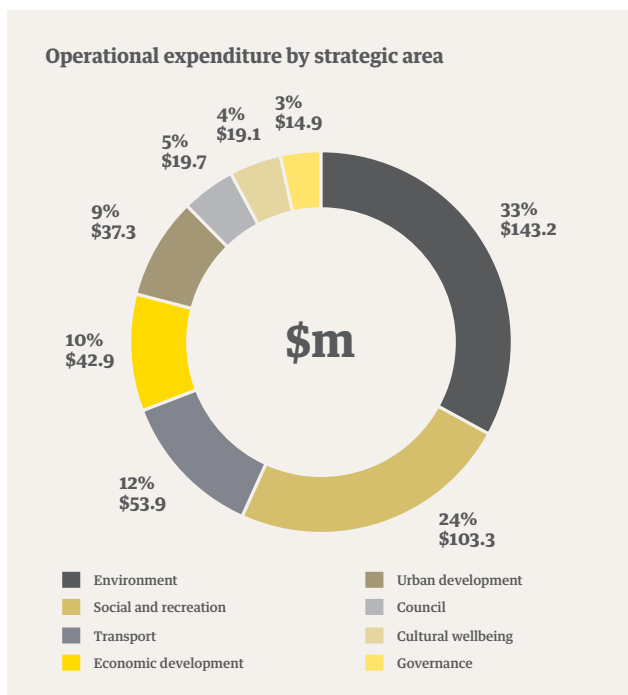
3 Annual Report, Notes to the financial statements, Note 1: Rates Revenue, page 143

General rates revenue is collected based on property rateable values. We currently apply a general rates differential of 2.8:1. This means that commercial properties pay 2.8 times more general rates per dollar of rateable value than non-commercial properties. This impacts on the value of total rates collected from each sector as shown in the graphs below.



EXPENSES⁴

Our total expenses for the year were \$434.3 million which represents the cost of running the city during the year. Our activities are divided into strategic areas of focus:



4 Annual Report, Statement of Comprehensive Revenue and Expense, page 123

Environment includes water supply, stormwater and sewerage, landfills and Kiwi Point Quarry. Also includes maintaining and protecting parks, botanic gardens, coastlines and open spaces.

Social and recreation includes the libraries network, swimming pools, recreation centres, cemeteries, social housing, marinas, sportsfields, playgrounds and skate parks.

Transport includes maintaining and developing the city’s transport networks and providing on-street parking spaces.

Economic development includes supporting and attracting major events and promoting Wellington overseas and locally.

Urban development includes assessing building consent and resource consent applications, providing funding for heritage buildings and to develop streets and other public areas.

Council includes costs associated with deriving council-wide revenue.

Cultural wellbeing includes support of the Wellington Museums Trust and events in the city, Wellington City Archives and Toi Poneke.

Governance includes community engagement, Council elections and meetings.

The table below shows the gross cost per Wellington resident⁵ per day for each strategic area. This is funded through a combination of rates, user charges, revenue from investments and other grants and subsidies.

COST PER STRATEGIC AREA PER RESIDENT PER DAY

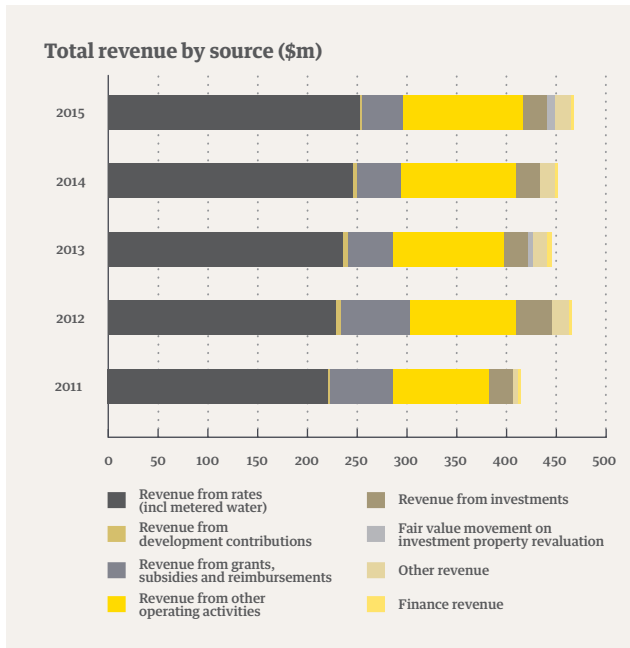
STRATEGIC AREA	TOTAL COST (\$m)	COST PER RESIDENT PER YEAR \$	COST PER RESIDENT PER DAY \$
Governance	14.9	74	0.20
Environment	143.2	716	1.96
Economic development	42.9	215	0.59
Cultural wellbeing	19.1	95	0.26
Social and recreation	103.3	517	1.42
Urban development	37.3	187	0.51
Transport	53.9	269	0.74
Council	19.7	99	0.27
	\$434.3	\$2,172	\$5.95

5 Estimated city population to be 200,000 based on Estimated Resident Population, NZ Statistics

OUR PERFORMANCE OVER TIME

This section sets out our financial performance over the last 5 years.

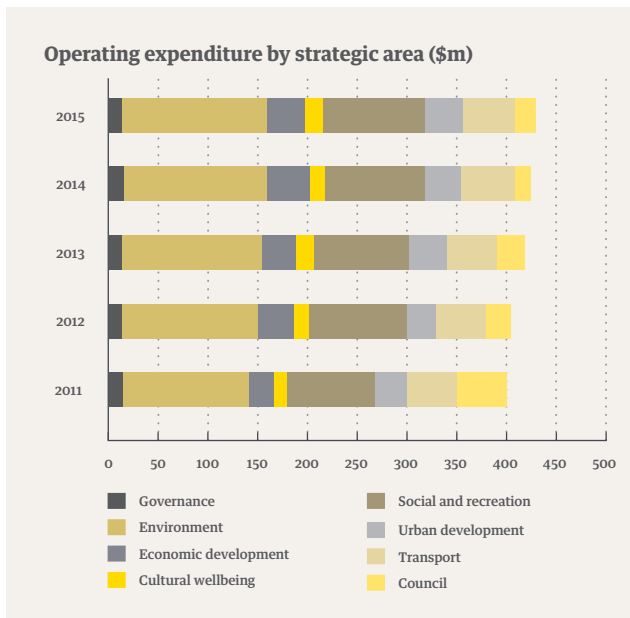
Revenue



Our revenue is particularly influenced by the amount of grants we receive for capital expenditure in any one year. This varies depending on the annual capital expenditure programme to be funded.

Operating expenditure

The level of operating expenditure for each of strategic areas over time, is summarised below.



Summary Statement of Financial Position⁶

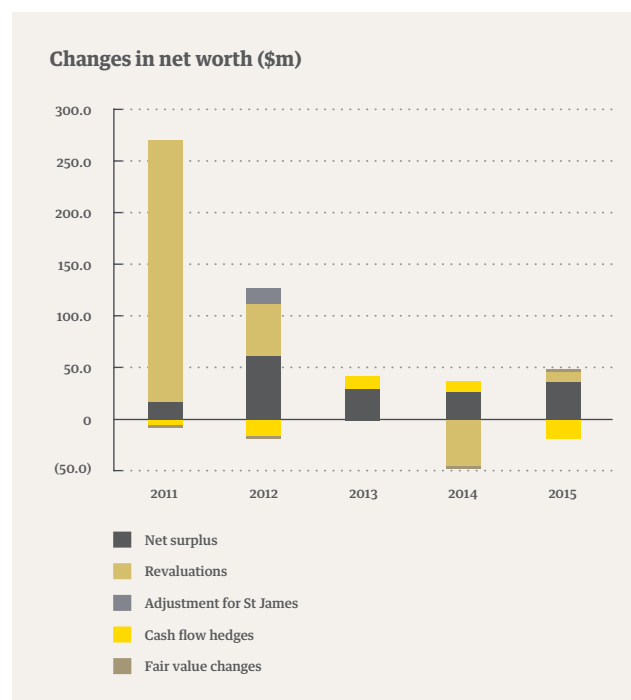
	COUNCIL			GROUP	
	ACTUAL 2015 \$m	BUDGET 2015 \$m	ACTUAL 2014 \$m	ACTUAL 2015 \$m	ACTUAL 2014 \$m
Current assets	121.1	58.3	124.0	134.7	131.9
Non-current assets	6,853.6	7,232.9	6,783.8	6,980.6	6,906.9
TOTAL ASSETS	6,974.7	7,291.2	6,907.8	7,115.3	7,038.8
Current liabilities	273.2	248.5	235.4	282.6	240.4
Non-current liabilities	331.2	306.6	331.8	332.4	333.2
TOTAL LIABILITIES	604.4	555.1	567.2	615.0	573.6
TOTAL EQUITY/NET ASSETS	6,370.3	6,736.1	6,340.6	6,500.3	6,465.2

CHANGES IN NET WORTH

This section explains our financial position, focussing on net worth (equity), capital expenditure and debt.

Net worth is the difference between our total assets and total liabilities. Net worth is represented in the financial statements by the balance of equity.

Our net worth at the end of the year was \$6,370.3 million, an increase of \$29.7 million or 0.5% from the previous year. The main reasons for the increase in Net Worth are the surplus for the year and the fair value movement in our cash flow hedges and revaluation of Operating Land and Buildings.⁷



⁶ Annual Report, Statement of Financial Position, page 126

⁷ Annual Report, Notes to the financial statements, Note 26 Hedging reserve, page 180

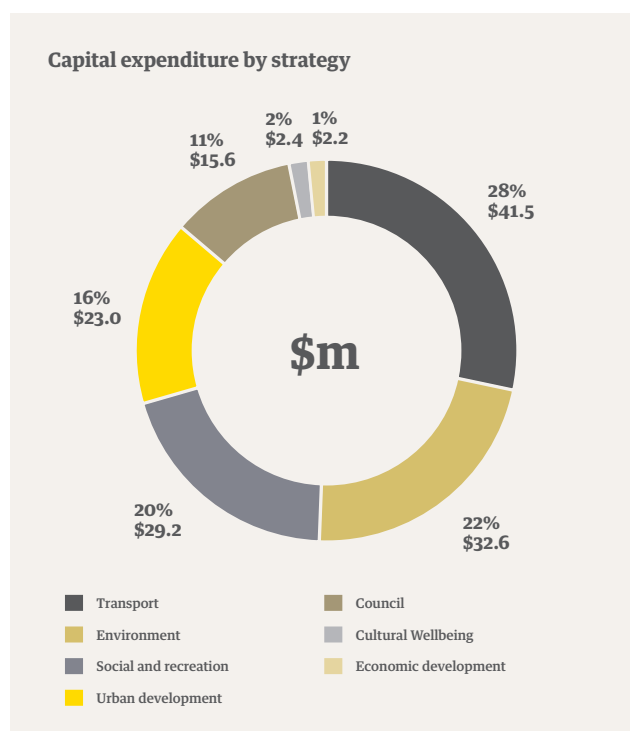
The graph above shows that significant changes occur as a result of movements in revaluations and hedges. Revaluations represent the change in the value of assets held, to restate the replacement value in current dollar terms based on their condition and remaining life. Changes in hedge values represent market value changes in value of the interest rate hedges that are held to maturity. For further explanation refer to Note 26 Hedging reserve page 180. Changes in revaluations, Cash Flow hedges and Fair Value are all non-cash movements and are subject to changes in market driven values beyond our control.

ASSETS AND CAPITAL EXPENDITURE

Our major assets include:

- Property, plant and equipment (including land, buildings, pipes, roads and other infrastructure assets) - \$6,595.9 million
- Other assets (including investment properties and investments in subsidiaries and associates) - \$378.8 million.

The chart below shows how much was spent on each strategic area during the year for replacing, constructing and purchasing assets:



To help spread the cost of assets to everyone who benefits, we budget to recover a certain amount of the value of the asset each year. This amount is called depreciation.⁸ Depreciation spreads the cost of an asset over its useful life.

8 Annual Report, Statement of Comprehensive Revenue and Expenses, page 123

LIABILITIES

We have prudently managed our borrowings to ensure we meet the specified requirements in our Long-term Financial Strategy. Net borrowings at 30 June 2015 are 84% of revenue, within the target of 105% set by the Council and significantly less than 150% limit contained within its Financial Strategy.

Our major liabilities include:

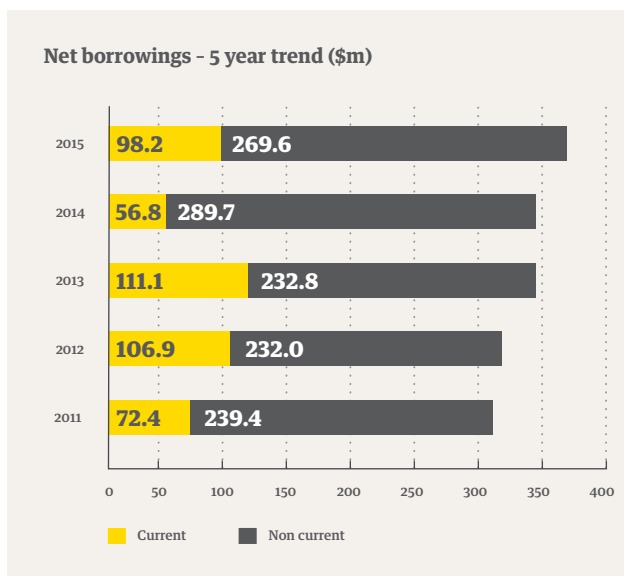
- gross borrowings - \$433.7 million⁹
- other liabilities (including trade and other payables) - \$170.7 million.

We use borrowings to fund the purchase or construction of new assets or upgrading existing assets that are approved through the Annual Plan and Long-term Plan process.

NET BORROWINGS

Net borrowings are the total borrowings less any cash and cash equivalents and current deposits.¹⁰

The gross borrowings of \$433.7 million,¹¹ less the balance of cash and cash equivalents and current deposits of \$65.9 million, results in a net borrowings balance of \$367.8million at 30 June 2015.



Net borrowings increased by \$21.3 million during the year. Net borrowings at the end of the year are \$34.0 million less than budgeted in the 2014/15 Annual Plan. The difference is due to changes in the timing of some capital projects and savings made in the delivery of others.

The total net borrowing of \$367.8 million is less than 80% of our annual revenue and make up 10% of our total asset value (excluding land under roads). This is equivalent to a household with an average property value of \$530,000, earning \$70,000 a year, having a mortgage of less than \$54,000.

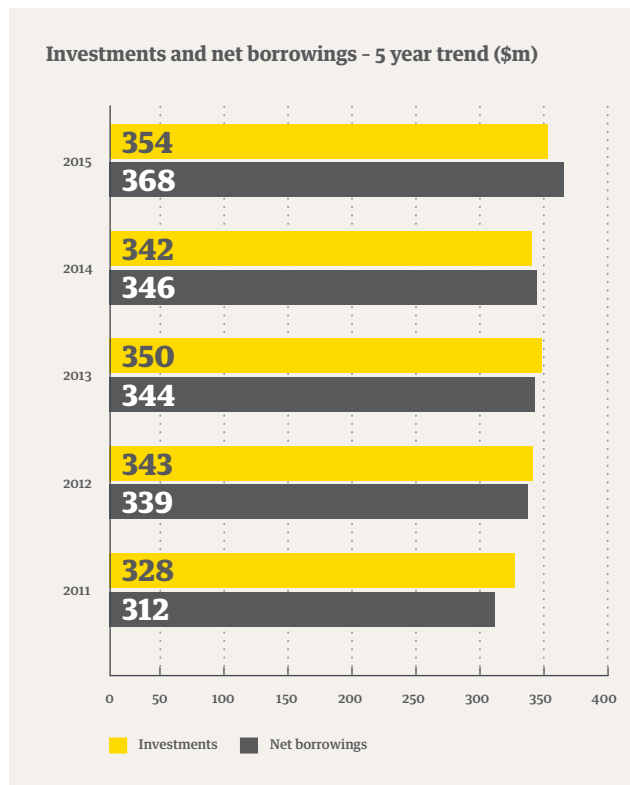
9 Annual Report, Notes to the financial statements, Note 22 Borrowings , page 171

10 Annual Report, Notes to the financial statements, Note 11 Cash and Cash Equivalents, page 151

11 Annual Report, Notes to the financial statements, Note 22 Borrowings, page 171

INVESTMENT POSITION

We continue to maintain a strong investment position when compared with the level of borrowings. The graph below compares the balance of investments and net borrowings over the last five years.



Note: Investments reflect a change in accounting treatment, whereby Council no longer includes the Wellington Regional Stadium Trust within its investments.

The value of investments primarily relates to investment properties, our share of the net assets of our associates (including Wellington International Airport Limited) and other financial assets.

BORROWINGS COMPLIANCE

During the year we maintained our AA rating with the independent credit rating agency Standard and Poor's. The credit rating is a comparative measure of our financial strength. The AA credit rating held by us is the highest credit rating attributed to any council across New Zealand. Holding and maintaining such a high credit rating provides us with a range of benefits that would not otherwise be available. These benefits include access to lower cost borrowings and access to a wider range of borrowing alternatives.

Summary Statement of Cash flows

The summary cash flow statement shows how we generated and used cash during the year.

	COUNCIL			GROUP	
	ACTUAL 2015 \$m	BUDGET 2015 \$m	ACTUAL 2014 \$m	ACTUAL 2015 \$m	ACTUAL 2014 \$m
Net cash flows from operating activities	129.3	123.1	127.9	136.2	127.7
Net cash flows from investing activities	(107.7)	(149.4)	(130.3)	(109.2)	(131.9)
Net cash flows from financing activities	(8.3)	26.3	10.5	(8.3)	10.5
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	13.3	-	8.1	18.7	6.3

Our operating activities generate cash inflows and the primary source is from rates and user charges. Most of the net cash inflows from these operating activities, together with new borrowings (financing activities), are used to purchase and develop assets around the city (investing activities).

Summary Statement of Changes in Equity

The Council's net worth is represented by equity. The summary statement of changes in equity shows what the community owns (assets of \$6,974.7 million) minus what the community owes (liabilities of \$604.4 million).

The net worth of the Council at the end of the year was \$6,370.3 million, an increase of \$29.7 million from the previous year. The main reasons for the increase were the net surplus generated for the year, the fair value movement in our cash flow hedges and the impact of the revaluations of our assets during the year.¹²

	COUNCIL			GROUP	
	ACTUAL 2015 \$m	BUDGET 2015 \$m	ACTUAL 2014 \$m	ACTUAL 2015 \$m	ACTUAL 2014 \$m
Equity at the beginning of the year	6,340.6	6,652.7	6,348.8	6,465.2	6,472.6
Net surplus for the year	35.5	26.4	27.6	36.3	30.2
Other comprehensive revenue/(expense)	(5.8)	57.1	(35.8)	(1.2)	(37.6)
Total comprehensive revenue/(expense) for the year	29.7	83.5	(8.2)	35.1	(7.4)
EQUITY - CLOSING BALANCES					
Accumulated funds and retained earnings	4,991.3	4,992.2	4,954.2	5,002.9	4,966.1
Revaluation reserves	1,383.2	1,743.1	1,372.0	1,497.1	1,482.0
Hedging reserve	(17.4)	(10.0)	(0.4)	(17.4)	(0.4)
Fair value through other comprehensive revenue and expense reserve	0.1	0.1	0.1	0.5	0.1
Non-controlling interest	-	-	-	0.3	-
Restricted funds	13.1	10.7	14.7	16.9	17.4
TOTAL EQUITY - CLOSING BALANCE	6,370.3	6,736.1	6,340.6	6,500.3	6,465.2

12 Annual Report, Notes to the financial statements, Note 26 Hedging reserve, page 180

Local Government (Financial and Prudence) Regulations 2014

This set of financial benchmarks is required by legislation. The results for 2014/15 summarised below. There are 13 benchmarks that are split into the following seven categories:

REF	CATEGORY	MEASURE	2014/15 MET
1.	Rates affordability benchmarks	Rates (revenue) affordability - were the actual rates increases below the 2012 LTP quantified dollar limit.	Yes \$253.4m
		Rates (increases) affordability - were the actual rates increases below the 2012 LTP percentage increases limit.	Yes 2.94%
2.	Debt affordability benchmarks	Net Borrowing as a percentage of equity <10%	Yes 6%
		Net Borrowing as a percentage of revenue <150%	Yes 84%
		Net Interest as a percentage of revenue is <15%	Yes 4%
		Net Interest as a percentage of annual rates revenue <20%	Yes 8%
		Liquidity (term borrowing committed loan facilities to 12 month peak net borrowing forecast) >110%	Yes 117%
		Triennial additional loan funded capital expenditure (cumulative) limit < \$60m	Yes \$57.3m
3.	Balanced Budget benchmark	Operating revenue is greater than operating expenditure as a proportion >100%	Yes 104%
4.	Essential services benchmark	Capital expenditure on network is greater than depreciation on network services as a proportion >100%	Yes 127%
5.	Debt servicing benchmark	Borrowing costs as a proportion of operating revenue <10%	Yes 5%
6.	Debt control benchmark	Net debt as a proportion of planned debt <100%	Yes 100%
7.	Operations control benchmark	Net cash flow from operations as a proportion of its planned net cash flow from operations >100%	No 97%

AREAS OF REPORTED NON-COMPLIANCE

Operations control benchmark

The Council is satisfied that it is prudently managing operational cash flow, with variances explained by the timing difference in the receipt of revenues compared to budget that lead to the 'not met' outcome for this measure.





***Wellington can be a world-class
city where talent wants to live.***

Independent Auditor's Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of Wellington City Council and group's summary annual report for the year ended 30 June 2015

The summary annual report was derived from the annual report of the Wellington City Council (the City Council) and group for the year ended 30 June 2015. We have considered whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report.

The annual report included full audited statements, and the summary annual report includes summary statements. We have audited the following summary statements reported in the summary annual report on pages 8 to 18, 22, 29 and 33 to 34:

- the summary statement of financial position as at 30 June 2015;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2015;
- the summary statement of service provision of the City Council and group; and
- the summary of the Local Government (Financial Prudence) Regulations 2014 Benchmarks.

We expressed an unmodified audit opinion on the City Council and group's full audited statements in our report dated 26 August 2015.

Opinion

In our opinion:

- the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with FRS-43 (PBE): Summary Financial Statements.

Basis of opinion

Our audit was carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand), and in particular with the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements. These standards require us to carry out procedures to confirm whether the summary annual report contains the information necessary, and at an appropriate level of aggregation, so as not to be misleading.

The summary statements and the full audited statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 26 August 2015 on the full audited statements.

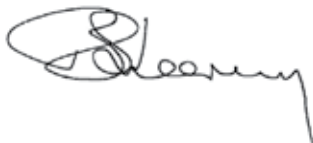
The summary statements do not contain all the disclosures required for full audited statements under generally accepted accounting practice in New Zealand. Reading the summary statements, therefore, is not a substitute for reading the full audited statements in the annual report of the City Council and group.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the summary annual report so that it represents, fairly and consistently, the information regarding the major matters dealt with in the annual report. This includes preparing summary statements, in accordance with FRS-43 (PBE): Summary Financial Statements. The Council is also responsible for the publication of the summary annual report, whether in printed or electronic form.

We are responsible for expressing an opinion on whether the summary annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report and whether the summary statements comply with FRS 43 (PBE): Summary Financial Statements.

In addition to reporting on the summary annual report, we have reported on the full annual report, and carried out a range of other assurance engagements in the areas of an independent assurance review in respect of the City Council's Debenture Trust Deed, a review of the revenue and expenditure of the Clifton Terrace car park on behalf of the New Zealand Transport Agency, and a review of the City Council's process to select providers for the proposed Wellington Regional ICT Infrastructure shared services which are compatible with those independence requirements. Other than this reporting and these assignments, we have no relationship with or interests in the City Council or any of its subsidiaries.



BEDE KEARNEY
Audit New Zealand
On behalf of the Auditor General
Wellington, New Zealand

25 September 2015

This summary report, extracted from our 2014/15 Annual Report, does not provide as complete an understanding of the Council's activities as the full document. Copies of the Annual Report 2014/15 are available at the Council Offices, 101 Wakefield St, Wellington or at wellington.govt.nz.

The Annual Report, adopted on 26 August 2015, has been prepared in accordance with Tier 1 PBE Standards and contains detailed information about our finances and service provision. Audit NZ has audited the full Annual Report and issued an unmodified opinion.

This summary is the Council's first summary under the new PBE Standards and this summary has been prepared in compliance with PBE FRS-43 and examined by Audit NZ for consistency with the full Annual Report.

Wellington City Council is a public benefit entity for financial reporting purposes. The financial statements within the Annual Report have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (GAAP) and comply with PBE Standards as appropriate for public benefit entities. The financial statements include a Statement of Compliance to this effect. The financial statements are denominated in New Zealand Dollars.

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