# He pūrongo pūtea

# Financial Information

Greater Wellington
Te Pane Matua Taiao

# Financial assumptions 2021-31

Schedule 10 of the Local Government Act 2002 requires that we identify the significant forecasting assumptions and risks used in setting our Long Term Plan. Where there is a high level of uncertainty the Council is required to state the reason for the uncertainty, and provide an estimate of the potential effects on the financial assumptions.

## External borrowings

It is assumed that Council's portfolio of debt, which has differing maturity dates from 1 to 10 years and new funding required, will be able to be raised on favourable terms. It is assumed that Council will be able to refinance existing loans on similar terms.

**Risk**

Loans are unable to be repaid in the planned maximum loan periods.

Council will not be able to raise new debt on favourable terms. The result would mean Council would have to borrow at higher than planned interest rates.

**Level of uncertainty**

Low

**Reasons and financial effect of uncertainty**

Local government is a very low risk to investors, second only to central government. For this reason it is very unlikely that Council will not be able to raise funds on favourable terms as and when required. Council has a comprehensive treasury policy and management practices, employs expert advice when required, has a debenture trust deed for raising loans and employs qualified staff.

Counterparties have always shown confidence in the Council in the past and this is not likely to change.

To ensure that debt levels continue to remain prudent and sustainable, the Council has set a prudential limit of net debt as depicted in the Financial Strategy.

The Council ensures that we have sufficient cash, liquid investments and committed lines of credit available to allow us to pay our bills for at least the next six months.

## Local Government Funding Agency (LGFA) guarantee

Each of the shareholders of the LGFA is a party to a Deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and the guarantee obligations of other participating local authorities to the LGFA, in the event of default.

**Risk**
In the event of a default by the LGFA, each guarantor is liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantor's rating base.

**Level of uncertainty**
Low

**Reasons and financial effect of uncertainty**
The Council believes the risk of the guarantee being called on and any financial loss arising from the guarantee is low. The likelihood of a local authority borrower defaulting is extremely low and all the borrowings by a local authority from the LGFA are secured by a rates charge.

## Local Government Funding Agency

The Council remains a shareholder and borrows direct from the LGFA that was developed to source lower-cost funding

**Risk**
LGFA rating falls or lower cost funding will not be achieved.

**Level of uncertainty**
Low

**Reasons and financial effect of uncertainty**
For the non-shareholders of the LGFA, the lending margins would be higher which would affect the proposed rating levels.

## Interest rates

The Council has an actual portfolio of fixed interest rate debt that matures at various times over the next 10 years. In preparing the Long Term Plan the Council used the implied 90-day forward rates for its floating interest rate projection.

The fixed interest rate is based on the existing pay fixed rate swaps in place. A market determined credit margin of 0.75 percent is added to this for all years of the LTP.

The cost of funds for the Infrastructure Strategy has been set at 3.50 percent.

Taking into account the current economic state, the interest rate on the cost of borrowing for the Long-term Plan is as follows:

| 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|
| 3.42% | 3.00% | 2.77% | 2.61% | 2.36% |

| 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|
| 2.12% | 1.97% | 1.93% | 2.00% | 1.97% |

**Risk**
The prevailing interest rates will differ significantly from those estimated

**Level of uncertainty**

- Low in short-term
- Medium in long-term, up to 10 years

**Reasons and financial effect of uncertainty**
Increases in interest rates flow through to higher debt servicing costs and higher rates funding requirements.

The Council predominantly uses fixed interest rates, which locks the Council's future borrowing for a certain period of time to protect us from rising interest rates.

The Council has mitigated interest risk using interest rate swaps and is governed by a robust Treasury Management Policy that prescribes best practice interest risk and debt concentration risk covenants.

The Council has diversified portfolio of revenue sources to help it pay for interest costs, including rates, levies, fees and charges, fares and investment income.

## Insurance

We anticipate insurance costs to increase over time in addition to growth attributed to asset value. It is assumed in the Long-term Plan that there will be no further major cost adjustors for insurance. The BERL recommended inflation factor and a relevant cost adjustor is included to reflect the current market conditions will be applied to each year.

**Risk**
The risk is that there could be further large adjustments in insurance that are not allowed for in the Long-term Plan.

**Level of uncertainty**
Medium

**Reasons and financial effect of uncertainty**
If New Zealand is struck by another major natural disaster, there is little doubt that insurance costs will be affected, however the effects from the recent major earthquakes have now been built into the existing premiums and the risk of further significant price increases is considered medium.

## Financial risks from climate change

It is assumed that all critical climate risks drivers will remain in place for the duration of the LTP.

The Long Term Plan assumes that the Council will not experience significant additional costs due to climate change risks in particular:

- Interest costs on debt;
- Significant increase to insurance premiums;
- Capital and operational assets costs of assets and degradation of assets

The Long Term Plan also assumes that transitional risks towards a low carbon economy will not significantly impact the Plan, in particular

Income impact:

- Carbon tax
- Energy costs
- Carbon offsets
- Renewable energy purchase
- ICT solutions enabling carbon footprint reduction

Balance sheet impact:

- Investments in energy efficient technologies or upgrades
- Renewable energy projects

The Plan assumes that the Council will have no liability risks from contractual and legal obligations through service level agreements with third parties.

**Risk**
Emerging risk drivers are higher than expected

**Level of uncertainty**
Medium

**Reasons and financial effect of uncertainty**
The Council is seen as a leader in the environmental hazard risk management in the region. Asset Management Plans capture climate risks by adjusting their thirty year plans with additional funding necessary to manage the risk for adaptation and transition.

## Inflation impact on expenditure budget

For the first year of the Long-Term Plan (2021/22), all financial statements have been prepared using 2021 dollars. Price level adjustments for inflation have been included in all financial statements for the following nine years of the Long-Term Plan.

Price level adjustments for the years 2021/2022 onwards have been derived from forecasts prepared for Local Government New Zealand by Business and Economic Research Limited (BERL) and deal primarily with areas of expenditure local authorities are exposed to through their business.

**The capital inflation rate used by the Council is a LGCI (Local Government Cost Index) capex category.**

| 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|
| 1.5% | 3.0% | 2.6% | 2.6% | 2.7% |

| 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|
| 2.6% | 2.8% | 2.8% | 2.9% | 2.7% |

**Salary inflation rate used by Council is LCI for all salary and wage rates for local government sector.**

| 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|
| 2% | 2% | 2% | 2% | 2% |

| 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|
| 2% | 2% | 2% | 2% | 2% |

**The operational inflation rates used by Council is LGCI (Local Government Cost Index) opex.**

| 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|
| 1.5% | 2.9% | 2.5% | 2.5% | 2.5% |

| 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|
| 2.5% | 2.6% | 2.7% | 2.7% | 2.6% |

**CPI rate increases**

| 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|---|---|---|---|
| 1.7% | 1.7% | 1.7% | 1.6% | 1.9% |

| 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|
| 2.0% | 2.2% | 2.3% | 2.3% | 2.3% |

**Risk**
Actual inflation rates exceed budgeted inflation rates

**Level of uncertainty**
Low (short term)

Medium (up to 10 years)

**Reasons and financial effect of uncertainty**
A number of factors will affect economic performance and certainty around these cost factors is difficult to judge. BERL has had many years of experience in providing cost adjustors to local government and is the best known resource available. However, with volatility within the global economy and supply chains, currently the risk is considered low in the short-term, medium up to 10 years and high over 10 years.

Preparing an annual budget and resetting rates combined with triennial review of LTP mitigates the medium and long-term risks.

## Fare revenue

We are assuming growth on public transport as outlined below.

| Patronage Growth | Bus | Rail | Ferry |
|---|---|---|---|
| 2021/22 | 7.5% | 7.5% | 5.5% |
| 2022/23 | 3.0% | 3.0% | 2.0% |
| 2023/24 | 3.5% | 3.5% | 2.5% |
| 2024/25 | 3.5% | 3.5% | 2.5% |
| 2025/26 | 3.5% | 3.5% | 2.5% |
| 2026/27 | 3.5% | 3.5% | 2.5% |
| 2027/28 | 3.5% | 3.5% | 2.5% |
| 2028/29 | 3.0% | 3.0% | 2.0% |
| 2029/30 | 3.0% | 3.0% | 2.0% |
| 2030/31 | 3.0% | 3.0% | 2.0% |

### Patronage Growth

We are assuming that patronage levels will be around 10 percent lower than pre-COVID-19 expectations for the first year of the LTP. Patronage will then increase on average by three percent per annum for the duration of the 2021-31 LTP. This means that patronage will not bounce back to pre-COVID-19 levels (2018/19 levels) until 2025.

Patronage has grown at five percent per annum across the network over recent years, much faster than population growth of about 1.4 percent per annum. COVID-19 and possible consequential structural changes to our economy, commuting patterns and lifestyles are expected to reduce patronage growth rates for the earlier part of the LTP planning period, but these effects will diminish over time.

Specifically:

a. Growth in population after July 2021 is likely to be slower than previously experienced and forecast, because of lower levels of migration, although Kiwis returning to NZ from overseas and lower migration levels to Australia could mitigate this effect.

b. Higher levels of unemployment may still exist at the start of the LTP planning period, which will reduce travel demand.

c. It is likely that an increasing proportion of Wellington's workforce will work from home on some (or all) days of each week or walk or cycle to work more than previously, reducing travel demand for both motor vehicles and public transport.

### Rail

1. Ongoing work on improving our rail network means that rail service improvements will continue to attract more customers.
2. Integrated fares and ticketing (IFT) will generate new customers by improving the convenience and ease of travelling by train (and by using more than one PT mode). IFT will also increase rail revenue through better revenue protection.

**Bus**

1. A significant improvement to our bus network was implemented in July 2018 (with ongoing refinements) such that patronage will continue to increase because of the service improvements.
2. Integrated fares and ticketing (IFT) in about 2023 will generate new customers and facilitate travel on more than one PT mode.
3. The move towards more electric buses in the Metlink bus fleet is likely to be well received by customers and result in increased bus patronage growth.
4. Significant investment in public transport is expected under "Let's Get Wellington Moving" (LGWM) programme, with a greater emphasis on growth in PT over private motor vehicles, which will support increased patronage growth across the PT network. LGWM will stimulate PT patronage over the last half of the LTP planning period.

**Fare increase**

Fares are assumed to increase at the level of the consumer price index (CPI) during the term of the LTP. While the public appetite for fare increases will be low post COVID-19, small increases to fares relative to the cost of living are likely to be necessary, as Council looks across all budget areas to recover costs associated with the pandemic. Larger fare increases are not recommended as this would undermine Council's goals of increasing PT mode share, increasing accessibility and reducing greenhouse gas emissions.

**Risk**

Actual demand growth is less than projected growth as there exists uncertainty where growth is expected to occur within the region and due to COVID-19. This can have adverse impact on public transport service delivery costs.

Actual inflation exceeds budgeted inflation.

The risk of getting revenue assumptions too low can be profound on budgets.

Risk of getting the peak load estimates too low are likely to result in insufficient lead times to procure new buses and trains.

**Level of uncertainty**

Medium

**Reasons and financial effect of uncertainty**

There is some uncertainty with long-term demand growth projections as the growth of demand is dependent on the future population, household and employment growth in the region.

The council monitors growth and updates its long-term public transport plans to address variations in the rate or location of growth for public transport.

Preparing an annual budget and resetting growth rate assumptions combined with triennial review of LTP mitigates the risks.

## Waka Kotahi / NZ Transport Agency

Waka Kotahi co-funding is provided at the agreed financial assistance rate (FAR) for all eligible transport planning activities and there are no unexpected changes to FARs.

All transport projects and services will receive funding assistance of 51 percent from Waka Kotahi.

**Risk**
Changes in the subsidy rate and variations in criteria for inclusion in the qualifying programme of works.

Lack of certainty over Waka Kotahi funding which puts risks that essential public transport projects and programmes are delivered as planned.

**Level of uncertainty**
Low/Medium

**Reasons and financial effect of uncertainty**
If the level of subsidy decreases or ceases there needs to be either a reduction in the public transport work programme or an increase in funding from alternative sources.

If FARs change, the Council will review budgets in subsequent Annual Plans.

## Funding of decarbonising the bus and rail network – rail rolling stock

The acquisition of the rail rolling stock includes an assumption that the Regional Council will receive 90 percent of the capital funding from Waka Kotahi. No decisions or commitments have been received from Waka Kotahi for this level of funding and the assumption is based on the best available information and funding arrangements that were in place for previous acquisition of rolling stock.

**Risk**
If we do not receive the assumed level of funding, the rail programme will have to be significantly revised.

**Level of uncertainty**
Medium/High

**Reasons and financial effect of uncertainty**
The uncertainty is due to there being no agreements or commitments in place for the funding and that the business case is still being developed. The process to obtain funding is competitive with competing pressures on Waka Kotahi to fund a range of projects. In the event of the funding not being received at the assumed level, we will have to seek funding from other sources such as debt or rates.

## Useful lives of significant assets

The useful lives of significant assets with the appropriate depreciation rates are shown in the Significant Accounting Policies.

It is assumed that the useful lives will remain the same throughout the 10-year LTP period.

It is assumed that assets will be replaced at the end of their useful lives.

**Risk**
Assets need to be replaced earlier or later than budgeted

The Council activities change, resulting in decisions not to replace existing assets. These may impact Council's cash flows.

**Level of uncertainty**
Low – Asset lives are based upon the National Asset Management Manual guidelines and have been assessed by independent qualified valuers and engineers

**Reasons and financial effect of uncertainty**
The financial effects of the uncertainty are relatively low. If capital expenditure was required earlier than anticipated, then depreciation and debt servicing costs could increase.

If assets need replacing earlier, this could lead to the Council reprioritising capital projects to mitigate the financial impacts.

The Council has a comprehensive asset management planning process. Where a decision is made not to replace an asset, this will be factored into capital projections.

## Depreciation

Depreciation rates applying to existing assets are outlined in the Statement of Accounting Policies and is based on the assumed useful lives of assets. Depreciation on new major infrastructural assets is calculated on actual expected rates commencing from expected time of completion of the project. Depreciation is calculated on book values projected at 30 June, plus new capital.

**Risk**
The cost adjustor forecasts could be incorrect. Capital projects could take longer to complete than budgeted. To some extent these factors mitigate each other.

**Level of uncertainty**
Low

**Reasons and financial effect of uncertainty**
The impact of applying incorrect depreciation rates is not considered material in the context of the LTP.

## Other Revenue

The other revenue is assumed to grow by inflation for the life of the long term plan.

**Risk**
The other revenue does not grow as assumed in the plan and that has a negative impact on surplus or deficit.

**Level of uncertainty**
Low

**Reasons and financial effect of uncertainty**
As inflation has been applied and other revenue is not the main source of revenue for Council the risk is considered negligible.

## Dividend income

The Council invests in strategic assets and it is assumed that the Council will continue to control and own its strategic assets.

**Risk**
Income from dividends may differ from what was projected due to fluctuating market prices or decline in dividends.

Reduction in dividend income will affect the level of contribution able to offset the rate requirement.

**Level of uncertainty**
Medium

**Reasons and financial effect of uncertainty**
Any increase in the rate requirement due to reduced dividend levels is unlikely to be substantial, and if the shortfall is significant the Council would review its expenditure levels.

Dividend income forecasts can be restated every year through the Annual Plan

## Return on short-term financial investments

Although the interest earned on short term cash investments will fluctuate considerably over the 10 years, it is assumed that the Council will earn at least a prudent return on investment between 1-1.70 percent per annum.

**Risk**
The risk is that the Council will obtain lower returns on its cash investments.

**Level of uncertainty**
Low

**Reasons and financial effect of uncertainty**
The Council bases its returns at prudent levels and the risk of returns going well below the estimated, prudent levels over the 10 year period is considered low.

## Government and other external sources of capital grants funding

The Council receives funding from various sources for the development of infrastructure.

The Council has made an assumption that we will receive 90 percent Government funding for the purchase of new long distance commuter trains to service the Wairarapa Line and the Capital Connection and related rail projects.

**Risk**
The risk is that until capital grants can be guaranteed by the third party they may not be received as budgeted or could be lower than budgeted. This would result in a shortfall in funding for planned projects and could result in a negative impact on operating result and an increase in debt.

Projects are unable to be delivered within the proposed budgets.

**Level of uncertainty**
Medium

### Reasons and financial effect of uncertainty

If rates change, the Council will review budgets in subsequent Annual Plans

If funding is not available through these sources, investment by Council will continue but will be scaled back to available funding.

Prior to committing to most operating or capital programmes, Council has an opportunity to ensure more certainty around funding. If the funding is lower or not available Council can look for alternative funding options to offset, or reassess the programme spending.

This approach is intended to minimise the risk for a funding shortfall to the LTP financial strategy.

## Note:

*These assumptions and risks are not an exhaustive list of the assumptions and risks faced by Council and should be read in conjunction with the financial and infrastructure strategies in this Long Term Plan. These strategies contain risks and assumptions that are more specific in nature.*

## Statement of Accounting Policies

Greater Wellington Regional Council (the Council) is governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002 (LG(R)A).

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity (PBE) for the purposes of New Zealand equivalents to Internal Financial Reporting Standards (NZIFRS).

For the purposes of the plan, the Prospective Financial Statements (financial statements) cover all the activities of the Council as a separate legal entity. Group prospective financial statements have not been presented as the Council believes that parent statements are more relevant to users. The main purpose of these statements is to provide users with information about the core services that the Council intends to provide to ratepayers, the expected cost of those services and the consequent requirement for rate funding.

The level of rate funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries and such effects are included in these parent prospective financial statements.

The financial statements have been prepared in accordance with the requirements of Section 93 which includes the requirement to comply with Section 95 of the LGA and New Zealand Generally Accepted Accounting Practice (NZ GAAP). The Council is a public benefit entity (PBE) and complies with the Accounting Standards Tier 1 issued by the New Zealand Accounting Standards Board of the External Reporting Board pursuant to Section 24(1)(a) of the Financial Reporting Act 1993.

The financial statements include a Prospective Statement of Comprehensive Revenue and Expense, a Prospective Statement of Changes in Net Assets/ Equity, a Prospective Statement of Financial Position and a Prospective Statement of Cash Flows.

The financial statements of the Council are for the years ending 30 June. The prospective financial statements will be authorised for issue by the Council in June 2021.

While there is no current intent to update these prospective financial statements, the Council reserves the right to update this plan in the future.

The financial information contained within these policies and documents is prospective financial information in terms of PBE FRS 42 Prospective Financial Statements. The Prospective Financial Statements comply with the Tier 1 PBE Standards (including PBE FRS 42 – Prospective Financial Statements).

The purpose for which it has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Council over the financial years from 1 July 2021 to 30 June 2031, and to provide a broad accountability mechanism of the Council to the community.

The information in the prospective financial statements is uncertain and the preparation requires the exercise of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based.

The information contained within these prospective financial statements may not be suitable for use in another capacity.

## Measurement Base

The financial statements have been prepared on a historical cost basis, modified by revaluation of certain assets and liabilities. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest million dollars. Both the functional and presentation currency of the Council is New Zealand dollars.

## Significant Accounting Policies

The following accounting policies which materially affect the measurement of results and financial position have been applied.

### a. Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of goods and services tax, except for debtors and other receivables and creditors and other payables, which are presented on a GST inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows. Commitments and contingencies are disclosed exclusive of GST.

### b. Allocation of overheads

Net overhead expenses after offset of external recoveries and appropriations have been allocated to Council services. A variety of methods have been used appropriate to the overhead concerned. Examples include, staff numbers, estimate of time, operating expenditure, and capital expenditure.

### c. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Council, are classified as finance leases. Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. An operating lease is a lease that does not transfer substantially all of the risks and rewards incidental to the ownership of the asset. Operating lease payments are recognised as an expense in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the lease term.

## d. Grants and subsidies

Grant expenditure: The Council makes grants to third parties, either on behalf of Government agencies (NZTA) or to further the community's needs where the Council believes it is within its mandate to deliver on community outcomes. In all cases an operative contract is drawn up with the respective third party for accountability. Grant expenditure is recognised when the contract is signed and the monies paid.

Grants and subsidies revenue: The Council receives these under agreements with other parties, or other parties give monies to the Council for a specific purpose or for general purposes. Recognition of grants and subsidies under agreement is noted under revenue following.

## e. Revenue recognition

### General Principles

- Revenue is measured at the fair value of consideration received or receivable.
- General revenue is recognised at the time of invoicing, performance of service or receipt of application of service or licence and by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.
- Assets and revenues arising from exchange and non-exchange transactions are recognised in accordance with the requirements of PBE IPSAS 9: Revenue from Exchange Transactions or PBE IPSAS 23: Revenue from Non-Exchange Transactions.

### Revenue from Exchange Transactions

- Interest earned is recognised on an accrual basis using the effective interest rate method.
- Dividends are recognised when received or the right to receive payment has been established.
- Revenue from the sale of goods and/or services is recognised when a product and/or service is sold to the customer.
- Revenue from user charges is recognised when billed or earned on an accrual basis.

### Revenue from Non-exchange Transactions

- Rating revenue is recognised when assessments are issued or penalties incurred.
- Government grants are recognised when eligibility has been established by the granting agency.
- New Zealand Transport Agency subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.
- Vested assets are recognised at fair value on the vesting of the assets.

## f. Financial assets

The Council classifies its financial assets into the following four categories:

1. Financial assets at fair value through surplus or deficit designated upon initial recognition
2. Loans and receivables
3. Assets held to maturity
4. Available for sale

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

The four categories of financial assets are:

### 1. Financial assets at fair value through surplus or deficit designated upon initial recognition

A financial asset is classified in this category if acquired principally for the purpose of inclusion in the Council's Perpetual Investment Fund or if so designated by management. Assets in this category are classified as noncurrent assets as there is no plan to dispose of them within 12 months of the balance date unless market conditions make it profitable, or prudent, to do so.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Statement of Comprehensive Revenue and Expense.

Financial assets in this category include quoted shares, bonds, private equity funds and share options.

### 2. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in the Statement of Comprehensive Revenue and Expense.

### 3. Assets held to maturity

Assets held to maturity are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at historic cost. Gains and losses when the asset is impaired or de-recognised are recognised in the Statement of Comprehensive Revenue and Expense.

Investments in this category include local authority stock and interest bearing bonds.

### 4. Available for sale

Financial assets available for sale are those that are designated into this category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of the balance date or if the debt instrument is not expected to be realised within 12 months of the balance date.

The Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the Statement of Comprehensive Revenue and Expense.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the Statement of Comprehensive Revenue and Expense.

### g. Impairment of financial assets

The Council assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

#### Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in the Statement of Comprehensive Revenue and Expense.

The Council first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the Statement of Comprehensive Revenue and Expense, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

#### Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to, and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

#### Available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the Statement of Comprehensive Revenue and Expense. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through surplus or deficit if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in surplus or deficit.

### h. Derivative financial instruments

The Council uses interest rate swaps to mitigate its risk associated with interest rate fluctuations. These derivatives are initially recognised at fair value on the date the contract is entered into and subsequently remeasured to fair value each quarter. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Derivatives that are settled within 12 months are treated as current.

Interest rate swaps are entered into with the objective of reducing the risk of rising interest rates. Any gains or losses arising from the changes in fair value of derivatives are recognised in the surplus or deficit for the year.

The net difference paid or received on an interest rate swap is recognised as a part of the total finance revenue or finance cost over the period of the contract. The Council does not hold or issue derivative financial instruments for trading purposes.

### i. Trade and other receivables

Receivables are recorded at fair value less any provision for impairment. The Council does not provide for any impairment on rates receivable as it has various powers under the LG(R)A to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. Provision has been made in respect of all other receivables where there is objective evidence that the Council will not be able to collect the amounts as per the original terms of the receivables.

The amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables the carrying amount of the asset is reduced through the use of an allowance account, and the amount of loss is recognised as a surplus or deficit. When the receivable is uncollectible it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, and government stock, are recognised directly against the instrument's carrying amount.

### j. Non-current assets held for sale

Properties no longer required in the Council's operations and therefore intended for sale have been measured at the lower of carrying amount or fair value less selling costs. These are tested for impairment on an annual basis and any write-downs are recognised in the surplus or deficit. Non-current assets held for sale are not depreciated or amortised.

### k. Property, plant and equipment (PPE)

Property, plant and equipment are included at their valuation as at 30 June 2020 with subsequent additions recorded at cost.

PPE consists of operational and infrastructure assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet the criteria for capitalisation are expensed.

The initial cost of property, plant and equipment includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Greater Wellington and the cost of the item can be measured reliably.

The costs of day to day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

All PPE (other than operational plant, vehicles, work-in-progress, furniture and fittings which are not revalued) are revalued at fair value by reference to their depreciated replacement cost or market value on a class basis at least every three years. The carrying value of revalued assets are reviewed at each balance date to ensure they are not materially different to fair value. Any surplus arising on revaluation is credited to a revaluation reserve for that class. Any deficit is charged against the revaluation reserve, or if not available, expensed in the Statement of Comprehensive Revenue and Expense.

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Property, plant and equipment is categorised into the following classes:

- Operational land and buildings
- Operational plant and equipment
- Operational vehicles
- Flood protection infrastructural assets
- Parks infrastructural assets
- Capital work in progress
- Port wharves and paving
- Navigational aids
- Transport infrastructural assets
- Water supply infrastructural assets
- Right of use assets.

### Additions

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Prospective Statement of Comprehensive Revenue and Expense. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

### Depreciation

Depreciation is provided on a straight line basis on all tangible property, plant and equipment, other than land and capital works in progress, at rates which will write off assets, less their estimated residual value over their remaining useful lives.

The useful lives of major classes of assets have been estimated as follows:

| | |
|---|---|
| Port, wharves and paving | 10 to 50 years |
| Operational port freehold land | Indefinite |
| Operational land | Indefinite |
| Operational buildings | 10 to 75 years |
| Operational plant and equipment | 2 to 40 years |
| Operational vehicles | 2 to 37 years |
| Flood protection infrastructural assets | 2 years to indefinite |
| Transport infrastructural assets | 3 to 50 years |
| Rail rolling stock | 5 to 35 years |
| Navigational aids infrastructural assets | 1 to 80 years |
| Parks infrastructural assets | 2 to 155 years |
| Regional water supply infrastructural assets | 3 to 156 years |
| Right to use | 20 years |

Capital work in progress is not depreciated. Stopbanks included in the flood protection infrastructure asset class are maintained in perpetuity. Annual inspections are undertaken to ensure design standards are being maintained and to check for impairment. As such, stopbanks are considered to have an indefinite life and are not depreciated.

### l. Intangible assets

Research, training, maintenance and development costs are expensed.

Computer systems where capitalised are amortised over their useful lives, generally between three to eight years on a straight line basis.

Carbon credits are recorded at cost and subsequently revalued to fair value.

### m. Impairment of PPE and intangibles

The carrying values of PPE and intangibles are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of PPE is the greater of fair value less costs to sell and value in-use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash generating unit is then written down to its recoverable amount through the Statement of Comprehensive Revenue and Expense.

### n. Accounting for revaluations

The Council accounts for revaluations of PPE on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Revenue and Expense. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Statement of Comprehensive Revenue and Expense will be recognised first in the Statement of Comprehensive Revenue and Expense up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### o. Investments in other entities and associates

The Council invests in other entities to further its service delivery and/or to maintain an appropriate degree of independence from political processes.

The Council's investment in the following subsidiaries is carried at cost in the prospective financial statements:

| Entity | Nature of investment | Equity Holding |
|---|---|---|
| WRC Holdings Limited | Subsidiary of Greater Wellington | 100% |
| CentrePort Limited | Subsidiary of WRC Holdings Limited | 76.9% |
| Greater Wellington Rail Limited | Subsidiary of WRC Holdings Limited | 100% |
| Wellington Regional Economic Development Agency | Minority Interest | 20% |
| Wellington Water Limited | Council Controlled Organisation | 15% |

Any equity investment by the Council is recorded at cost, or share of net equity based on current financial statements with these investments being restated annually in accordance with financial reporting standards. In respect to the plan, these investments are stated at 30 June 2020 position.

In addition the Council is deemed to control, separately or jointly with others.

### p. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. Gains or losses arising from changes in fair value of investment property are included in the statement of comprehensive income in the period in which they arise.

### q. Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures except where the joint venture can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated as the tax rates that are expected to apply in the period when the liability is settled or the asset is realised using tax rates that have been enacted or substantively enacted by balance date.

Current and deferred tax is charged or credited to the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

### r. Trade and other payables

Payables are valued at fair value.

### s. Provisions

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs”.

### t. Employee benefits

Provision is made in respect of the Council’s liability for annual leave which has been calculated on an actual entitlement basis at current rates of pay. Long-term entitlements (long service and retirement gratuities) have been calculated on present value at current rates of pay. Accumulated sick leave carried forward, which is anticipated to be taken in future periods, is not considered material for inclusion.

### u. Interest bearing liabilities and borrowing costs

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains or losses are recognised in the Statement of Comprehensive Revenue and Expense when liabilities are derecognised as well as through the amortisation process. Borrowing costs are recognised as an expense in the period in which they are incurred.

### v. Equity

Equity is the community’s interest measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses.

The components of equity are accumulated funds, revaluation reserves and other reserves.

### w. Reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Council-created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of the Council.

These comprise:

- Operating reserves to fund some short-term operations.
- Development funds include development and financial contributions held until applied against the capital works for which those contributions were charged.
- Renewal and disaster funds to meet future replacement costs of assets.

Asset revaluation reserves: These arise on revaluation of the Council's assets and are an accounting entry only - they are not represented by funds.

Retained earnings: This is the accumulated net worth of the Council not held in reserves and represents the community's equity in the Council.

### x. Foreign currency

Transactions in foreign currencies are initially recorded in NZ$ by applying the exchange rates on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into NZ$ at the rate of exchange on the Statement of Financial Position date.

### y. Cash and cash equivalents

Cash and cash equivalents means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments with maturities of three months and less in which the Council invests as part of its day-to-day cash management.

### z. Annual Plan figures

The Annual Plan 2020/21 figures are those approved by the Council on adoption of the Annual Plan 2020/21.

### aa. Emissions Trading Scheme (ETS)

New Zealand Units (NZUs) received for pre-1990 forests are recognised at fair value on the date received. They are recognised as an asset in the statement of financial position and income in the statement of revenue and expense. The deforestation contingency is not recognised as a liability as there is no current intention of changing the land use. The estimated liability that would arise should deforestation occur has been estimated in the notes to the accounts.

NZUs in respect of post 1989 forests are recognised at fair value on the date received. As trees are harvested or carbon stocks decrease a liability and expense will be recognised for the NZUs to be surrendered to Government.

Subsequently to initial recognition NZUs are revalued annually through the revaluation reserve.

### ab. Critical accounting estimates and assumptions

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. For key assumptions refer to the significant forecasting assumptions section.

## Changes in Accounting Policies

There has been no change in accounting policies since adoption of the Annual Report 2019/20.

## Balancing the Budget

The Local Government Act 2002 requires that where the Council has resolved, under Section 100(2), not to balance its operating budget in any year covered by this plan, the Council must include a statement of the reasons for the resolution and any other matters taken into account and the implications of the decision.

Over the 2021-31 Long Term Plan period the budgets have been balanced.

# He tauākī pūtea e haere ake nei – Prospective financial statements

**TOTAL COUNCIL FINANCIAL STATEMENTS**
**PROSPECTIVE STATEMENT OF REVENUE AND EXPENSES**
**FOR THE YEAR ENDING 30 JUNE**

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Operating Revenue** | | | | | | | | | | | |
| General rates | 49,632 | 63,113 | 70,538 | 74,481 | 83,407 | 86,348 | 87,660 | 90,286 | 92,131 | 93,465 | 94,028 |
| Targeted rates | 94,326 | 98,541 | 110,241 | 131,833 | 144,761 | 164,935 | 187,770 | 210,806 | 224,319 | 226,314 | 230,086 |
| **Regional rates** | **143,958** | **161,654** | **180,779** | **206,314** | **228,168** | **251,283** | **275,430** | **301,092** | **316,450** | **319,779** | **324,114** |
| Water supply levy | 35,860 | 39,319 | 42,674 | 45,609 | 47,891 | 50,315 | 52,529 | 54,331 | 56,241 | 58,362 | 60,183 |
| Government subsidies | 180,853 | 109,964 | 112,374 | 120,729 | 123,100 | 129,644 | 136,770 | 153,167 | 156,731 | 164,454 | 172,682 |
| Transport improvement grants | 14,811 | 18,795 | 28,132 | 35,252 | 110,765 | 195,021 | 270,507 | 281,937 | 103,489 | 16,018 | 16,130 |
| Interest and dividends | 4,725 | 4,930 | 5,084 | 5,218 | 5,484 | 5,748 | 6,029 | 6,314 | 6,626 | 6,972 | 7,144 |
| Other operating revenue | 131,437 | 126,234 | 125,514 | 130,761 | 136,434 | 143,141 | 150,364 | 158,442 | 166,677 | 175,672 | 184,787 |
| **Total operating revenue and gains** | **511,644** | **460,896** | **494,557** | **543,883** | **651,842** | **775,152** | **891,629** | **955,283** | **806,214** | **741,257** | **765,040** |
| **Operating Expenditure** | | | | | | | | | | | |
| Employee benefits | 56,755 | 64,146 | 63,648 | 65,158 | 66,035 | 67,238 | 68,582 | 69,830 | 71,226 | 72,648 | 73,503 |
| Grants and subsidies | 211,933 | 224,956 | 239,811 | 262,239 | 268,937 | 285,390 | 299,682 | 326,635 | 338,457 | 359,005 | 380,135 |
| Finance expenses | 21,664 | 19,942 | 19,737 | 19,704 | 19,847 | 19,943 | 20,333 | 21,451 | 22,581 | 24,023 | 22,930 |
| Depreciation and amortisation | 29,891 | 30,546 | 33,300 | 36,969 | 38,963 | 42,704 | 45,949 | 49,695 | 53,513 | 57,086 | 60,160 |
| Other operating expenses | 206,875 | 115,812 | 122,677 | 140,987 | 126,810 | 129,814 | 137,025 | 150,232 | 155,728 | 159,423 | 159,450 |
| **Total operating expenditure** | **527,118** | **455,403** | **479,173** | **525,056** | **520,592** | **545,090** | **571,571** | **617,843** | **641,505** | **672,185** | **696,178** |
| **Operating surplus/(deficit) before other items and tax** | **(15,474)** | **5,493** | **15,384** | **18,827** | **131,250** | **230,062** | **320,058** | **337,440** | **164,709** | **69,072** | **68,862** |
| Other fair value changes | 13,821 | 14,110 | 13,036 | 12,275 | 10,543 | 7,925 | 5,470 | 3,229 | 1,917 | 1,268 | - |
| **Operating surplus / (deficit) after tax** | **(1,653)** | **19,603** | **28,420** | **31,102** | **141,793** | **237,987** | **325,528** | **340,669** | **166,626** | **70,340** | **68,862** |
| **Other comprehensive revenue and expenses** | | | | | | | | | | | |
| Increases / (decreases) in revaluations | - | - | 124,332 | 1,429 | 4,555 | - | - | 129,405 | 707 | 3,823 | - |
| **Total comprehensive income** | **(1,653)** | **19,603** | **152,752** | **32,531** | **146,348** | **237,987** | **325,528** | **470,074** | **167,333** | **74,163** | **68,862** |

All figures on this page exclude GST.

**TOTAL COUNCIL FINANCIAL STATEMENTS**
**PROSPECTIVE STATEMENT OF CHANGES IN EQUITY**
**AS AT 30 JUNE**

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total opening ratepayers' funds** | **1,040,356** | **1,180,576** | **1,200,180** | **1,352,932** | **1,385,464** | **1,531,812** | **1,769,800** | **2,095,328** | **2,565,402** | **2,732,737** | **2,806,899** |
| Total comprehensive income | (1,653) | 19,604 | 152,752 | 32,532 | 146,348 | 237,988 | 325,528 | 470,074 | 167,335 | 74,162 | 68,863 |
| Movements in other reserves | | | | | | | | | | | |
| **Movement in ratepayers funds for year** | **(1,653)** | **19,604** | **152,752** | **32,532** | **146,348** | **237,988** | **325,528** | **470,074** | **167,335** | **74,162** | **68,863** |
| **Closing ratepayers' funds** | **1,038,703** | **1,200,180** | **1,352,932** | **1,385,464** | **1,531,812** | **1,769,800** | **2,095,328** | **2,565,402** | **2,732,737** | **2,806,899** | **2,875,762** |
| **Components of ratepayers funds** | | | | | | | | | | | |
| **Opening accumulated funds** | **252,902** | **358,724** | **383,425** | **416,192** | **450,654** | **584,789** | **824,011** | **1,146,930** | **1,488,339** | **1,651,341** | **1,718,199** |
| Total comprehensive income | (1,653) | 19,604 | 152,752 | 32,532 | 146,348 | 237,988 | 325,528 | 470,074 | 167,335 | 74,162 | 68,863 |
| Movements in other reserves | 11,032 | 5,097 | (119,985) | 1,930 | (12,213) | 1,234 | (2,609) | (128,665) | (4,333) | (7,304) | (4,067) |
| **Movement in accumulated funds for year** | **9,379** | **24,701** | **32,767** | **34,462** | **134,135** | **239,222** | **322,919** | **341,409** | **163,002** | **66,858** | **64,796** |
| **Closing accumulated funds** | **262,281** | **383,425** | **416,192** | **450,654** | **584,789** | **824,011** | **1,146,930** | **1,488,339** | **1,651,341** | **1,718,199** | **1,782,995** |
| **Opening other reserves** | **34,463** | **38,943** | **33,846** | **29,499** | **26,140** | **33,798** | **32,564** | **35,173** | **34,433** | **38,059** | **41,540** |
| Movements in other reserves | (11,032) | (5,097) | (4,347) | (3,359) | 7,658 | (1,234) | 2,609 | (740) | 3,626 | 3,481 | 4,067 |
| **Movement in other reserves for year** | **(11,032)** | **(5,097)** | **(4,347)** | **(3,359)** | **7,658** | **(1,234)** | **2,609** | **(740)** | **3,626** | **3,481** | **4,067** |
| **Closing other reserves** | **23,431** | **33,846** | **29,499** | **26,140** | **33,798** | **32,564** | **35,173** | **34,433** | **38,059** | **41,540** | **45,607** |
| **Opening asset revaluation reserves** | **752,991** | **783,917** | **783,917** | **908,249** | **909,678** | **914,233** | **914,233** | **914,233** | **1,043,638** | **1,044,345** | **1,048,168** |
| Movements in revaluation reserve | - | - | 124,332 | 1,429 | 4,555 | - | - | 129,405 | 707 | 3,823 | - |
| **Movement in asset revaluation reserve for year** | **-** | **-** | **124,332** | **1,429** | **4,555** | **-** | **-** | **129,405** | **707** | **3,823** | **-** |
| **Closing asset revaluation reserve** | **752,991** | **783,917** | **908,249** | **909,678** | **914,233** | **914,233** | **914,233** | **1,043,638** | **1,044,345** | **1,048,168** | **1,048,168** |
| **Closing ratepayers' funds** | **1,038,703** | **1,201,188** | **1,353,940** | **1,386,472** | **1,532,820** | **1,770,808** | **2,096,336** | **2,566,410** | **2,733,745** | **2,807,907** | **2,876,770** |

All figures on this page exclude GST.

## TOTAL COUNCIL FINANCIAL STATEMENTS
## PROSPECTIVE STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | | | |
| Cash and other equivalents | 23,837 | 21,012 | 25,368 | 36,518 | 28,378 | 30,447 | 35,144 | 43,327 | 46,961 | 49,597 | 49,963 |
| Investments (current) | 29,479 | 30,313 | 30,615 | 30,931 | 31,271 | 31,639 | 32,035 | 32,461 | 32,915 | 33,399 | 33,904 |
| Other current assets | - | 100,080 | 100,426 | 100,878 | 101,359 | 101,860 | 102,596 | 103,192 | 99,980 | 97,016 | 94,344 |
| Current assets | **53,316** | **151,405** | **156,410** | **168,328** | **161,008** | **163,947** | **169,776** | **178,980** | **179,856** | **180,012** | **178,211** |
| Investments (non-current) | 104,024 | 116,973 | 121,350 | 124,076 | 127,215 | 130,564 | 134,139 | 137,956 | 142,004 | 146,299 | 150,786 |
| Investment in subsidiary | 302,510 | 321,489 | 339,513 | 366,558 | 502,300 | 744,702 | 1,086,425 | 1,443,353 | 1,602,440 | 1,626,447 | 1,653,003 |
| Property, plant and equipment | 1,290,541 | 1,372,139 | 1,581,827 | 1,626,601 | 1,704,192 | 1,777,587 | 1,855,385 | 2,037,392 | 2,082,847 | 2,119,630 | 2,131,774 |
| Non-current assets | **1,697,075** | **1,810,601** | **2,042,690** | **2,117,235** | **2,333,707** | **2,652,853** | **3,075,949** | **3,618,701** | **3,827,291** | **3,892,376** | **3,935,563** |
| **Total assets** | **1,750,391** | **1,962,006** | **2,199,100** | **2,285,563** | **2,494,715** | **2,816,800** | **3,245,725** | **3,797,681** | **4,007,147** | **4,072,388** | **4,113,774** |
| **RATEPAYERS' FUNDS** | | | | | | | | | | | |
| Retained earnings | 262,281 | 383,425 | 416,192 | 450,653 | 584,788 | 824,010 | 1,146,929 | 1,488,337 | 1,651,339 | 1,718,197 | 1,782,993 |
| Reserves | 776,422 | 817,763 | 937,748 | 935,819 | 948,032 | 946,798 | 949,407 | 1,078,072 | 1,082,405 | 1,089,710 | 1,093,777 |
| **Total ratepayers' funds** | **1,038,703** | **1,201,188** | **1,353,940** | **1,386,472** | **1,532,820** | **1,770,808** | **2,096,336** | **2,566,409** | **2,733,744** | **2,807,907** | **2,876,770** |
| **LIABILITIES** | | | | | | | | | | | |
| Debt (current) | 126,800 | 111,606 | 131,688 | 131,775 | 131,866 | 106,962 | 107,063 | 132,169 | 107,281 | 107,399 | 177,524 |
| Other current liabilities | 48,707 | 69,092 | 73,197 | 84,089 | 75,670 | 77,440 | 81,816 | 89,653 | 92,921 | 95,168 | 95,132 |
| Current liabilities | **175,507** | **180,698** | **204,886** | **215,864** | **207,536** | **184,402** | **188,879** | **221,822** | **200,202** | **202,567** | **272,657** |
| Debt (non-current) | 518,218 | 524,457 | 597,647 | 652,874 | 734,550 | 849,705 | 954,095 | 1,006,265 | 1,071,933 | 1,061,914 | 964,348 |
| Derivative financial instruments | 17,963 | 55,663 | 42,627 | 30,352 | 19,809 | 11,884 | 6,414 | 3,185 | 1,268 | - | - |
| Non-current liabilities | **536,181** | **580,120** | **640,274** | **683,226** | **754,359** | **861,589** | **960,509** | **1,009,450** | **1,073,201** | **1,061,914** | **964,348** |
| **Total liabilities** | **711,688** | **760,818** | **845,159** | **899,090** | **961,895** | **1,045,991** | **1,149,388** | **1,231,272** | **1,273,403** | **1,264,481** | **1,237,004** |
| **Total equity and liabilities** | **1,750,391** | **1,962,006** | **2,199,099** | **2,285,562** | **2,494,715** | **2,816,799** | **3,245,724** | **3,797,681** | **4,007,147** | **4,072,388** | **4,113,774** |

All figures on this page exclude GST.

## TOTAL COUNCIL FINANCIAL STATEMENTS
## PROSPECTIVE STATEMENT OF CASHFLOWS
## FOR THE YEAR ENDING 30 JUNE

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | | | | | | | |
| Cash is provided from: | | | | | | | | | | | |
| Regional rates | 143,958 | 161,654 | 180,779 | 206,314 | 228,168 | 251,283 | 275,430 | 301,092 | 316,450 | 319,779 | 324,114 |
| Water supply levy | 35,860 | 39,319 | 42,674 | 45,609 | 47,891 | 50,315 | 52,529 | 54,331 | 56,241 | 58,362 | 60,183 |
| Government subsidies | 195,664 | 128,759 | 140,506 | 155,981 | 233,865 | 324,665 | 407,277 | 435,104 | 260,220 | 180,472 | 188,812 |
| Interest and dividends | 4,725 | 4,930 | 5,084 | 5,218 | 5,484 | 5,748 | 6,029 | 6,314 | 6,626 | 6,972 | 7,144 |
| Fees, charges and other revenue | 131,437 | 126,234 | 125,514 | 130,761 | 136,434 | 143,141 | 150,364 | 158,442 | 166,677 | 175,672 | 184,787 |
| | **511,644** | **460,896** | **494,557** | **543,883** | **651,842** | **775,152** | **891,629** | **955,283** | **806,214** | **741,257** | **765,040** |
| Cash is disbursed to: | | | | | | | | | | | |
| Interest | 21,664 | 19,942 | 19,737 | 19,704 | 19,847 | 19,943 | 20,333 | 21,451 | 22,581 | 24,023 | 22,930 |
| Payment to suppliers and employees | 475,563 | 404,613 | 421,862 | 457,271 | 470,016 | 480,434 | 500,770 | 538,637 | 561,884 | 588,606 | 612,817 |
| | **497,227** | **424,555** | **441,599** | **476,975** | **489,863** | **500,377** | **521,103** | **560,088** | **584,465** | **612,629** | **635,747** |
| **Net cash flows from operating activities** | **14,417** | **36,341** | **52,958** | **66,908** | **161,979** | **274,775** | **370,526** | **395,195** | **221,749** | **128,628** | **129,293** |
| **CASHFLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | | | |
| Cash is provided from: | | | | | | | | | | | |
| Sale of property, plant and equipment | 1,056 | 321 | 381 | 7,768 | 328 | 379 | 532 | 7,972 | 6,318 | 520 | 542 |
| Investment redemptions | 5,400 | 6,120 | 480 | 2,834 | - | - | - | - | - | - | - |
| | **6,456** | **6,441** | **861** | **10,602** | **328** | **379** | **532** | **7,972** | **6,318** | **520** | **542** |
| Cash is applied to: | | | | | | | | | | | |
| Purchase of property, plant and equipment | 78,248 | 91,185 | 119,300 | 88,497 | 112,713 | 116,920 | 124,835 | 110,743 | 101,255 | 87,437 | 70,076 |
| Investment additions | 17,689 | 31,154 | 23,434 | 33,178 | 139,500 | 246,415 | 346,016 | 361,517 | 163,956 | 29,174 | 31,951 |
| | **95,937** | **122,339** | **142,734** | **121,675** | **252,213** | **363,335** | **470,851** | **472,260** | **265,211** | **116,611** | **102,027** |
| **Net cashflows from investing activities** | **(89,481)** | **(115,898)** | **(141,873)** | **(111,073)** | **(251,885)** | **(362,956)** | **(470,319)** | **(464,288)** | **(258,893)** | **(116,091)** | **(101,485)** |

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **CASHFLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | | | |
| Cash is provided from: | | | | | | | | | | | |
| Loan funding [1] | 109,209 | 114,489 | 135,184 | 108,058 | 151,780 | 158,842 | 185,522 | 163,641 | 137,913 | 91,664 | 76,431 |
| Cash is applied to: | | | | | | | | | | | |
| Debt repayment | 21,703 | 34,569 | 41,912 | 52,743 | 70,014 | 68,591 | 81,032 | 86,365 | 97,134 | 101,565 | 103,872 |
| **Net cashflows from financing activities** | 87,506 | 79,920 | 93,272 | 55,315 | 81,766 | 90,251 | 104,490 | 77,276 | 40,779 | (9,901) | (27,441) |
| **Net increase/(decrease) in cash and cash equivalents** | **12,442** | **363** | **4,356** | **11,150** | **(8,140)** | **2,069** | **4,697** | **8,182** | **3,635** | **2,636** | **367** |
| Opening cash and cash equivalents | 11,395 | 20,649 | 21,012 | 25,368 | 36,518 | 28,378 | 30,447 | 35,144 | 43,327 | 46,961 | 49,597 |
| **Closing cash and cash equivalents** | **23,837** | **21,012** | **25,368** | **36,518** | **28,378** | **30,447** | **35,144** | **43,327** | **46,961** | **49,597** | **49,963** |

1 Greater Wellington now fully funds some public transport improvement expenditure at the time the expense is incurred, and recovers a share of the debt servicing costs from Waka Kotahi / NZ Transport Agency.

All figures on this statement exclude GST.

## TOTAL COUNCIL FINANCIAL STATEMENTS
## PROSPECTIVE DEBT
## AS AT 30 JUNE

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Environment and flood protection | 142,093 | 164,465 | 194,726 | 199,901 | 222,385 | 236,230 | 245,685 | 238,493 | 231,925 | 230,337 | 227,322 |
| Public transport | 264,800 | 277,597 | 290,878 | 298,536 | 340,384 | 404,322 | 487,382 | 567,344 | 620,220 | 617,247 | 595,689 |
| Water supply | 126,808 | 152,459 | 185,031 | 205,415 | 237,634 | 256,243 | 277,246 | 288,512 | 297,765 | 306,910 | 319,618 |
| Stadium | 2,100 | 2,100 | 2,100 | 4,343 | 4,158 | 3,960 | 3,748 | 3,520 | 3,275 | 3,012 | 2,729 |
| Regional strategy and partnerships | 24,295 | 39,198 | 54,271 | 72,894 | 70,841 | 68,310 | 66,923 | 64,581 | 58,671 | 53,048 | 45,798 |
| Property and investments | 30,479 | 27,277 | 27,350 | 27,927 | 25,812 | 23,621 | 21,358 | 19,036 | 16,671 | 14,227 | 11,728 |
| Corporate systems | 33,592 | 33,816 | 31,480 | 28,775 | 26,002 | 23,546 | 20,990 | 18,383 | 15,747 | 13,074 | 11,596 |
| **Total activities debt** | **624,167** | **696,912** | **785,836** | **837,791** | **927,216** | **1,016,232** | **1,123,332** | **1,199,869** | **1,244,274** | **1,237,855** | **1,214,480** |
| Treasury internal funding [1] | 20,851 | (60,849) | (56,501) | (53,142) | (60,800) | (59,565) | (62,174) | (61,435) | (65,060) | (68,542) | (72,608) |
| **Total external debt** | **645,018** | **636,063** | **729,335** | **784,649** | **866,416** | **956,667** | **1,061,158** | **1,138,434** | **1,179,214** | **1,169,313** | **1,141,872** |
| External debt (current) | 126,800 | 111,606 | 131,688 | 131,775 | 131,866 | 106,962 | 107,063 | 132,169 | 107,281 | 107,399 | 177,524 |
| External debt (non-current) | 518,218 | 524,457 | 597,647 | 652,874 | 734,550 | 849,705 | 954,095 | 1,006,265 | 1,071,933 | 1,061,914 | 964,348 |
| **Total external debt [2]** | **645,018** | **636,063** | **729,335** | **784,649** | **866,416** | **956,667** | **1,061,158** | **1,138,434** | **1,179,214** | **1,169,313** | **1,141,872** |

1 Greater Wellington manages community outcome debt via an internal debt function. External investments and debt are managed through a central treasury management function in accordance with the Treasury Management Policy.

2 Includes Finance Lease Liability from service concession arrangements.

All figures on this page exclude GST.

## TOTAL COUNCIL FINANCIAL STATEMENTS
## PROSPECTIVE REGIONAL RATES AND CAPITAL EXPENDITURE
## FOR THE YEAR ENDING 30 JUNE

| | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **REGIONAL RATES** | | | | | | | | | | | |
| Regional Strategy and Partnerships – excluding Warm Greater Wellington targeted rate | 14,566 | 17,263 | 18,919 | 21,343 | 21,495 | 21,796 | 21,904 | 22,210 | 22,817 | 22,946 | 22,806 |
| Metlink Public Transport | 76,798 | 81,810 | 92,354 | 112,300 | 123,336 | 142,728 | 165,352 | 187,098 | 200,252 | 201,708 | 208,058 |
| Environment and Flood Protection | 57,026 | 66,394 | 73,272 | 79,802 | 86,317 | 89,538 | 91,284 | 92,990 | 94,819 | 96,093 | 97,407 |
| Investments [1] | (7,824) | (6,683) | (6,260) | (10,191) | (6,593) | (6,544) | (6,150) | (5,428) | (5,690) | (5,271) | (5,393) |
| Total Rates excluding Warm Greater Wellington targeted rate | **140,566** | **158,784** | **178,285** | **203,254** | **224,555** | **247,518** | **272,390** | **296,870** | **312,198** | **315,476** | **322,878** |
| Regional Strategy and Partnerships – Warm Greater Wellington targeted rate | 3,392 | 2,869 | 2,494 | 3,059 | 3,612 | 3,764 | 3,041 | 4,223 | 4,251 | 4,302 | 1,236 |
| **Total regional rates** | **143,958** | **161,653** | **180,779** | **206,313** | **228,167** | **251,282** | **275,431** | **301,093** | **316,449** | **319,778** | **324,114** |
| **CAPITAL EXPENDITURE** | | | | | | | | | | | |
| Environment and Flood Protection | 25,087 | 33,447 | 39,989 | 21,194 | 31,251 | 27,527 | 24,478 | 16,011 | 15,458 | 15,263 | 14,754 |
| Metlink Public Transport [2] | 7,994 | 16,796 | 36,898 | 35,890 | 37,369 | 57,519 | 64,318 | 67,616 | 63,650 | 49,405 | 28,062 |
| Water Supply | 31,421 | 35,247 | 38,980 | 27,530 | 40,530 | 28,300 | 31,895 | 23,165 | 21,742 | 22,099 | 26,507 |
| Regional Strategy and Partnerships | 1,105 | 1,145 | 228 | 277 | 166 | 134 | 389 | 133 | 263 | 189 | 57 |
| Other | 12,642 | 4,550 | 3,205 | 3,606 | 3,397 | 3,440 | 3,755 | 3,818 | 142 | 481 | 696 |
| **Total capital expenditure** | **78,249** | **91,185** | **119,300** | **88,497** | **112,713** | **116,920** | **124,835** | **110,743** | **101,255** | **87,437** | **70,076** |
| Public Transport Investment in Rail | 17,689 | 17,655 | 18,024 | 27,045 | 135,742 | 242,401 | 341,723 | 356,928 | 159,087 | 24,007 | 26,556 |
| **Total Capex and improvements** | **95,938** | **108,840** | **137,324** | **115,542** | **248,455** | **359,321** | **466,558** | **467,671** | **260,342** | **111,444** | **96,632** |

1 Investment returns reduce the requirement for rates.

2 Transport capital expenditure excludes investment in Greater Wellington Rail Limited for the purchase of rail rolling stock and infrastructure. This is disclosed separately as Public Transport Investment in Rail.

All figures on this page exclude GST.

## TOTAL COUNCIL FINANCIAL STATEMENTS
## PROSPECTIVE FUNDING IMPACT STATEMENT
## FOR THE YEAR ENDING 30 JUNE

| Greater Wellington operations | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sources of operating funding** | | | | | | | | | | | |
| General rates | 49,632 | 63,115 | 70,538 | 74,482 | 83,408 | 86,349 | 87,661 | 90,286 | 92,132 | 93,464 | 94,028 |
| Targeted rates | 94,326 | 98,541 | 110,241 | 131,833 | 144,761 | 164,935 | 187,770 | 210,806 | 224,319 | 226,314 | 230,086 |
| Subsidies and grants for operating purposes | 180,853 | 109,964 | 112,374 | 120,729 | 123,100 | 129,644 | 136,770 | 153,167 | 156,731 | 164,454 | 172,682 |
| Interest and dividends from investments | 4,725 | 4,930 | 5,084 | 5,218 | 5,484 | 5,748 | 6,029 | 6,314 | 6,626 | 6,972 | 7,144 |
| Fees, charges, and targeted rates for water supply | 112,415 | 100,714 | 104,568 | 111,056 | 117,288 | 123,935 | 130,994 | 138,258 | 146,012 | 154,346 | 163,156 |
| Fines, infringement fees, and other receipts [1] | 54,882 | 64,839 | 63,620 | 65,314 | 67,037 | 69,521 | 71,899 | 74,515 | 76,906 | 79,688 | 81,814 |
| **Total operating funding** | **496,833** | **442,103** | **466,425** | **508,632** | **541,078** | **580,132** | **621,123** | **673,346** | **702,726** | **725,238** | **748,910** |
| **Applications of operating funding** | | | | | | | | | | | |
| Payments to staff and suppliers | 475,563 | 404,976 | 426,218 | 468,419 | 461,878 | 482,503 | 505,467 | 546,821 | 565,521 | 591,240 | 613,184 |
| Finance costs | 21,664 | 19,942 | 19,737 | 19,704 | 19,847 | 19,943 | 20,333 | 21,451 | 22,581 | 24,023 | 22,930 |
| **Total applications of operating funding [2]** | **497,227** | **424,918** | **445,955** | **488,123** | **481,725** | **502,446** | **525,800** | **568,272** | **588,102** | **615,263** | **636,114** |
| **Operating surplus/(deficit)** | **(394)** | **17,185** | **20,470** | **20,509** | **59,353** | **77,686** | **95,323** | **105,074** | **114,624** | **109,975** | **112,796** |
| **Sources of Capital Funding** | | | | | | | | | | | |
| Subsidies and grants for capital expenditure | 14,811 | 18,795 | 28,132 | 35,252 | 110,765 | 195,021 | 270,507 | 281,937 | 103,489 | 16,018 | 16,130 |
| Increase / (decrease) in debt | 76,475 | 74,822 | 88,925 | 51,955 | 89,425 | 89,017 | 107,100 | 76,537 | 44,406 | (6,420) | (23,374) |
| Gross proceeds from asset sales | 1,054 | 321 | 381 | 7,768 | 328 | 379 | 532 | 7,972 | 6,318 | 520 | 542 |
| **Total Sources of Capital Funding** | **92,340** | **93,938** | **117,438** | **94,975** | **200,518** | **284,417** | **378,139** | **366,446** | **154,213** | **10,118** | **(6,702)** |

1 Investment returns reduce the requirement for rates.

2 This statement is not an income statement. It excludes all non-cash transactions such as depreciation and valuations.

| Greater Wellington operations | 2020/21 Budget $000s | 2021/22 Plan $000s | 2022/23 Plan $000s | 2023/24 Plan $000s | 2024/25 Plan $000s | 2025/26 Plan $000s | 2026/27 Plan $000s | 2027/28 Plan $000s | 2028/29 Plan $000s | 2029/30 Plan $000s | 2030/31 Plan $000s |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Applications of Capital Funding** | | | | | | | | | | | |
| Capital expenditure | | | | | | | | | | | |
| - to meet additional demand | - | - | - | 222 | 24,720 | 41,284 | 51,406 | 59,084 | 55,506 | 41,629 | 22,478 |
| - to improve the level of service | 49,877 | 45,785 | 54,669 | 40,183 | 39,794 | 39,028 | 28,889 | 14,992 | 14,160 | 14,832 | 12,893 |
| - to replace existing assets | 28,372 | 45,037 | 64,284 | 47,640 | 47,717 | 36,107 | 43,805 | 36,071 | 34,802 | 33,940 | 37,381 |
| Increase / (decrease) in investments | 24,729 | 25,398 | 23,302 | 30,797 | 139,982 | 246,918 | 346,752 | 362,113 | 160,743 | 26,211 | 29,275 |
| Increase / (decrease) in reserves | (11,032) | (5,097) | (4,347) | (3,359) | 7,658 | (1,234) | 2,609 | (739) | 3,626 | 3,481 | 4,067 |
| **Total Applications of Capital Funding** | **91,946** | **111,123** | **137,908** | **115,483** | **259,871** | **362,103** | **473,461** | **471,521** | **268,837** | **120,093** | **106,094** |
| **Surplus/(Deficit) of Capital Funding** | **394** | **(17,185)** | **(20,470)** | **(20,508)** | **(59,353)** | **(77,686)** | **(95,322)** | **(105,074)** | **(114,624)** | **(109,975)** | **(112,796)** |
| **Funding Balance** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| | | | | | | | | | | | |
| **Depreciation on council assets** | 29,891 | 30,546 | 33,300 | 36,969 | 38,963 | 42,704 | 45,949 | 49,695 | 53,513 | 57,086 | 60,160 |
| **Water Supply Levy** [1] | 35,860 | 39,319 | 42,674 | 45,609 | 47,891 | 50,315 | 52,529 | 54,331 | 56,241 | 58,362 | 60,183 |

1 This includes the Water supply levy charged to Wellington, Hutt, Upper Hutt and Porirua city councils.

All figures on this statement exclude GST.

# He tauākī o te Pūtea Penapena – Statement of Reserve Funds

The Council maintains reserve funds as a sub-part of its equity – refer to statement of accounting policies earlier in this section. Schedule 10 Clause 16 requires certain information to be included pertaining to these reserve funds. The following presents a summary of reserve funds over the period of this plan and is followed by a breakdown into the various reserve fund types giving a brief explanation of the types of funds under each category and a table giving the opening balances, movements and closing balances.

## Summary of Reserve Funds

The following is a summary of the Council's expected reserve funds over the life of this plan.

**Area benefit reserves:** This class of reserves include various specific reserves (i.e. Transport reserve, Wairarapa Scheme reserve, WREMO reserve, Land Management reserve) and any targeted rate funding surplus is held to fund future costs of that area. These reserves are broadly for specific projects which have been acquired from a specific subset of rate payers and need to be kept separate until utilised.

**Contingency reserves:** This class of reserves are set aside to smooth the impact of costs associated with specific unforeseen events. Included in this class are Rural Fire Contingency, Flood Contingency and Environment Legal Contingency reserves.

**Special Reserves:** This class of reserves include Election, Corporate Systems, LTP, Wellington Regional Strategy and CentrePort Dividend reserves. This class of reserves are funds set aside to smooth the costs of irregular expenditure.

# He tauākī whakamārama – Disclosure statement

For the period commencing 1 July 2021

## What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

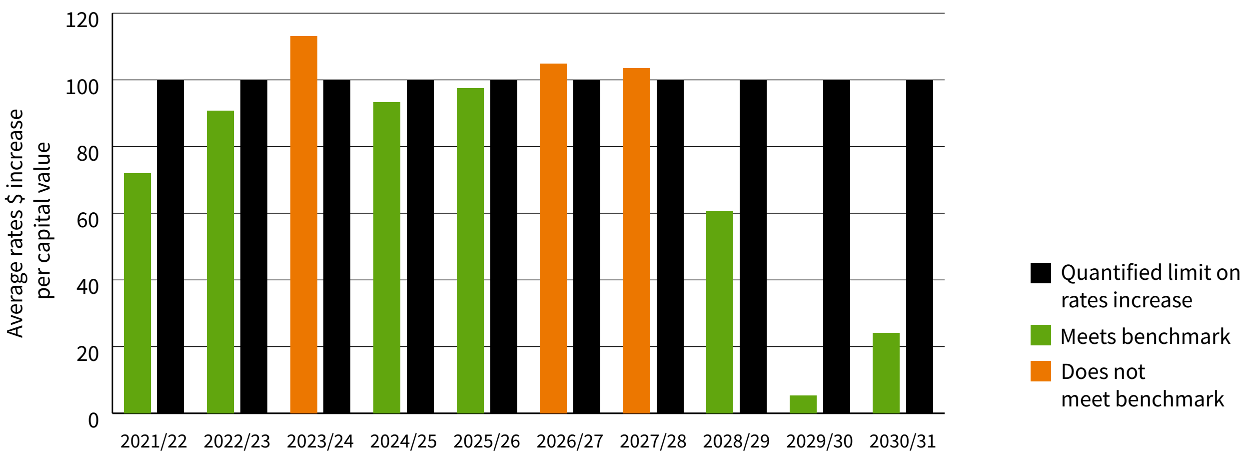
The council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

## Rates affordability benchmark

The Council meets the rates affordability benchmark if:

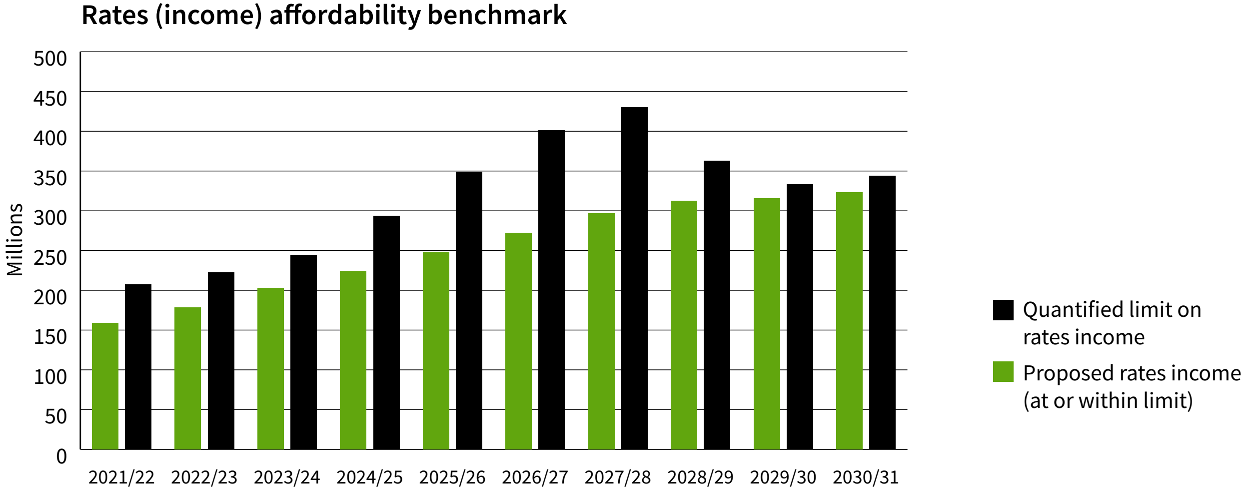
- Its planned rates income equals or is less than each quantified limit on rates; and
- Its planned rates increases equal or are less than each quantified limit on rates increases

**Regional rates per average capital value**



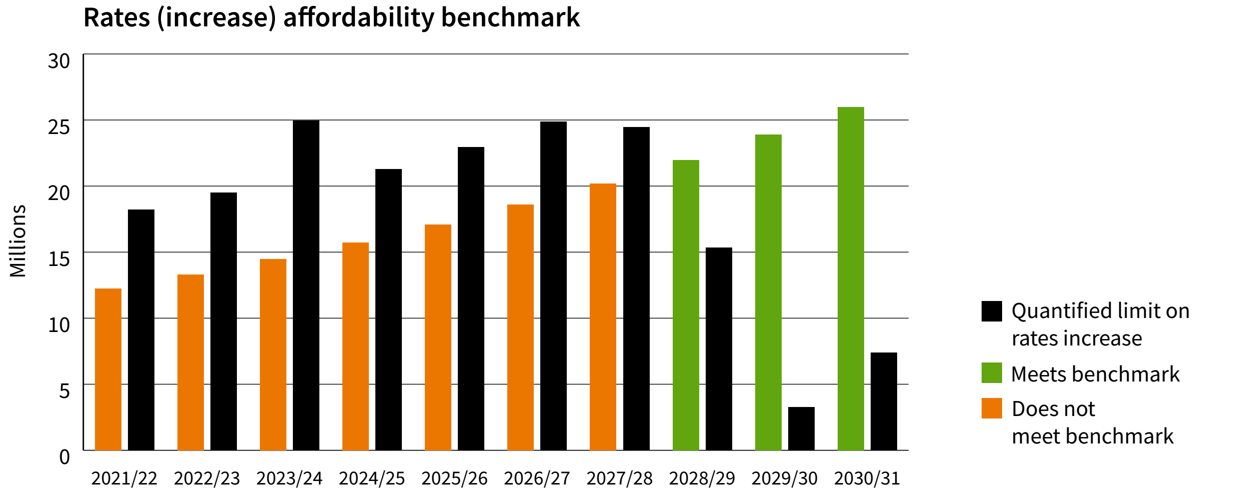
## Rates (income) affordability

This graph shows the total rates planned for the Long Term Plan comparted to the overall rates limit adopted by council. The limit adopted is the estimated rates requirement in year 2031 at 45 percent of total that years' operating revenue.




## Rates (increase) affordability

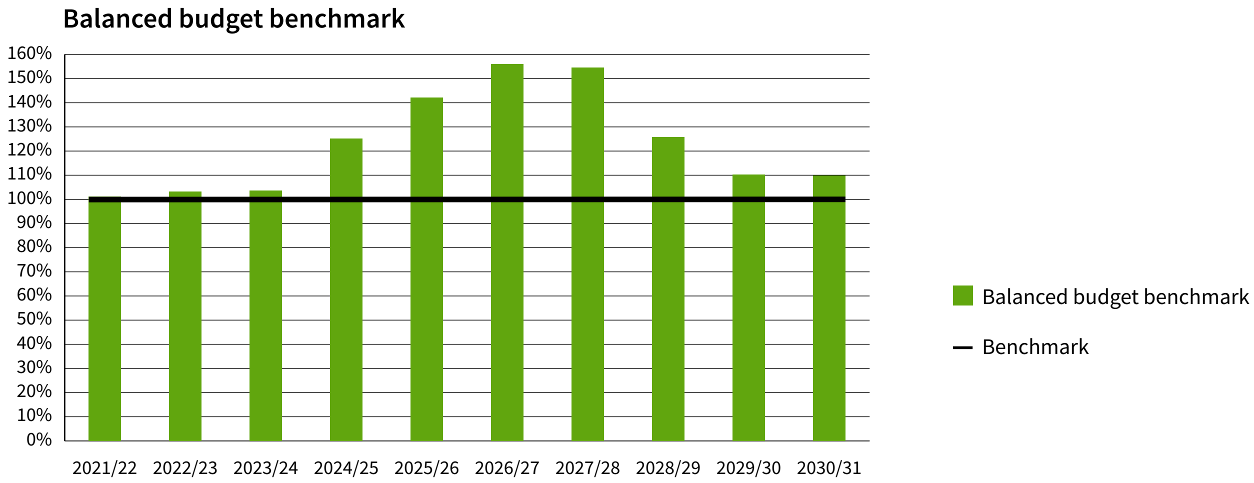
The following graphs compares the Council's planned rates increases with a quantified limit on rates increases contained in the Financial Strategy included in this LTP. The quantified limit is that increases in the annual rate revenue will be limited to an 8.7 percent and $100 increase in average rates per ratepayer.



## Balanced budget

The following graph displays the Council's planned revenue (excluding gains on derivative financial instruments) as a proportion of planned operating expenses (excluding losses on derivative financial instruments).

The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

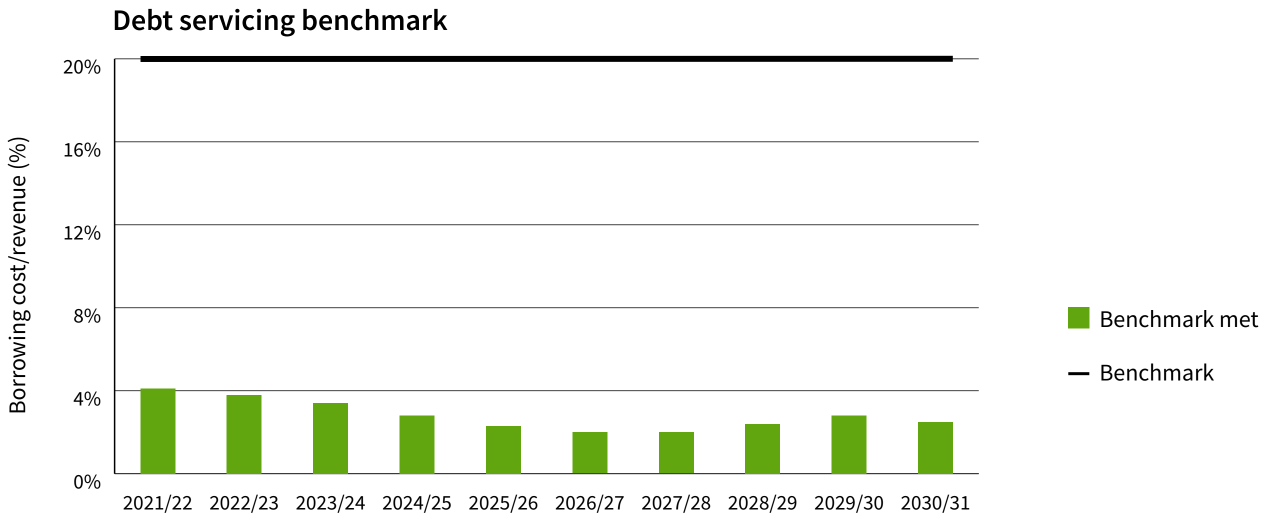


## Debt servicing benchmark

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding gains on derivative financial instruments).

The benchmark prudential limit is set by central government at 10 percent for non-high population growth regions. Given that the Council's population will grow more slowly than the national population projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal, or are less than 10 percent of its planned revenue.

Over the life of this LTP the council is well within this benchmark and the local government funding agency sets the benchmark of net interest at 20 percent of total revenue, which is still considered prudent by this institution.



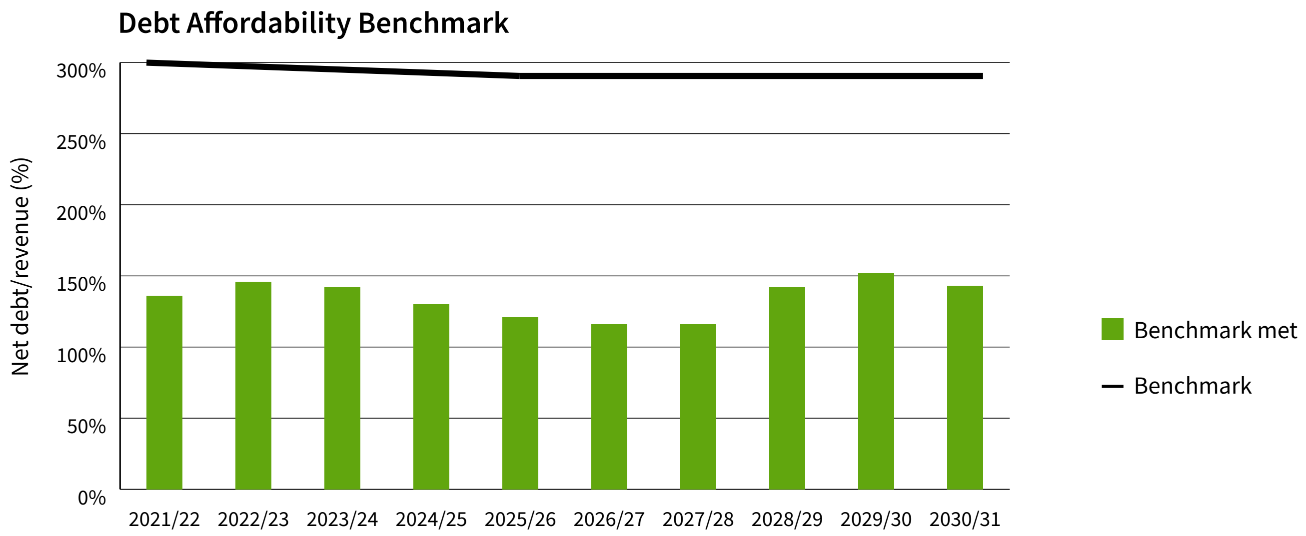
## Debt affordability benchmarks

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing:

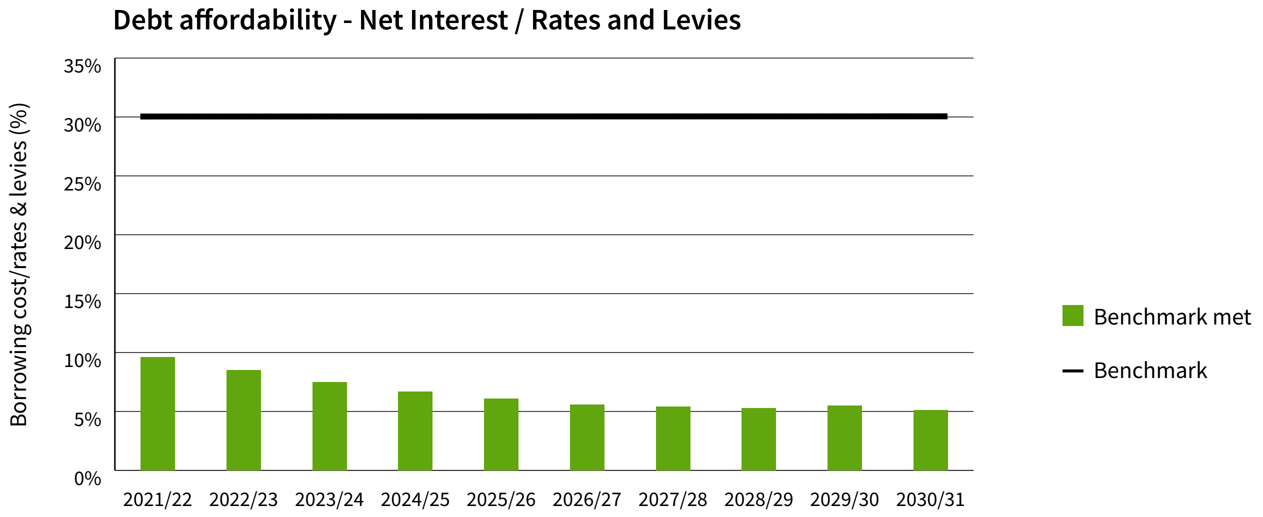
- interest expenses on external borrowings is less than each quantified limit on borrowing; and
- external debt is less than each quantified limit on borrowing.

## Debt affordability

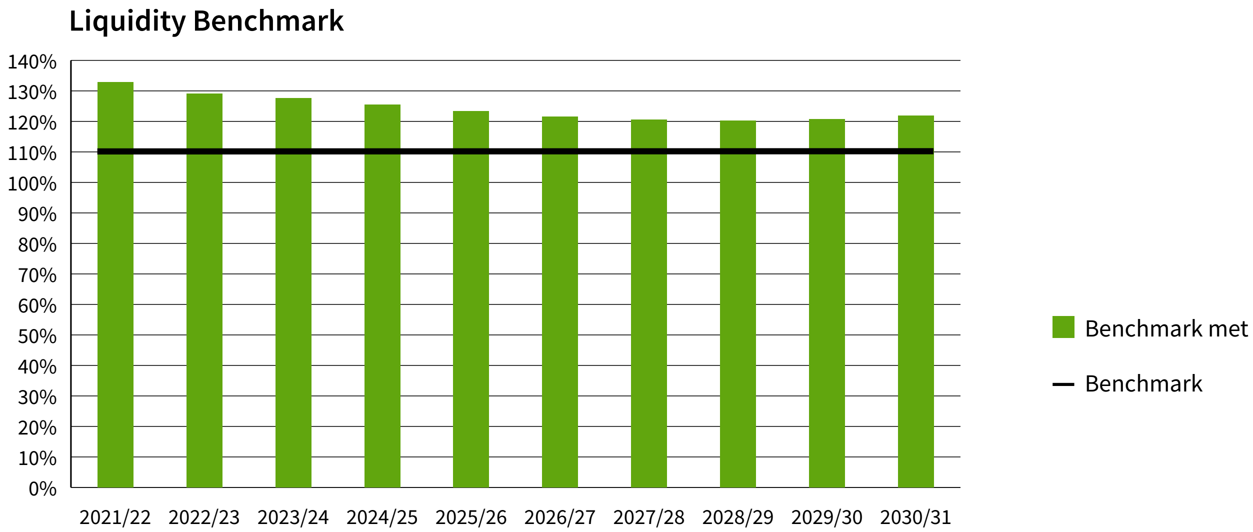
The following graph compares the council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this LTP. The quantified limit is that net debt/total revenue is lower than the allowable maximum percent as indicated in the Financial Strategy.



The graph opposite compares the Council's planned debt with a quantified limit on borrowing contained in the Financial Strategy included in this LTP. The quantified limit is that net interest / total rates and levies is <30 percent.




The graph opposite compares the council's planned borrowing with a quantified limit on borrowing contained in the financial strategy included in this LTP. The quantified limit is that liquidity is >110 percent. Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.

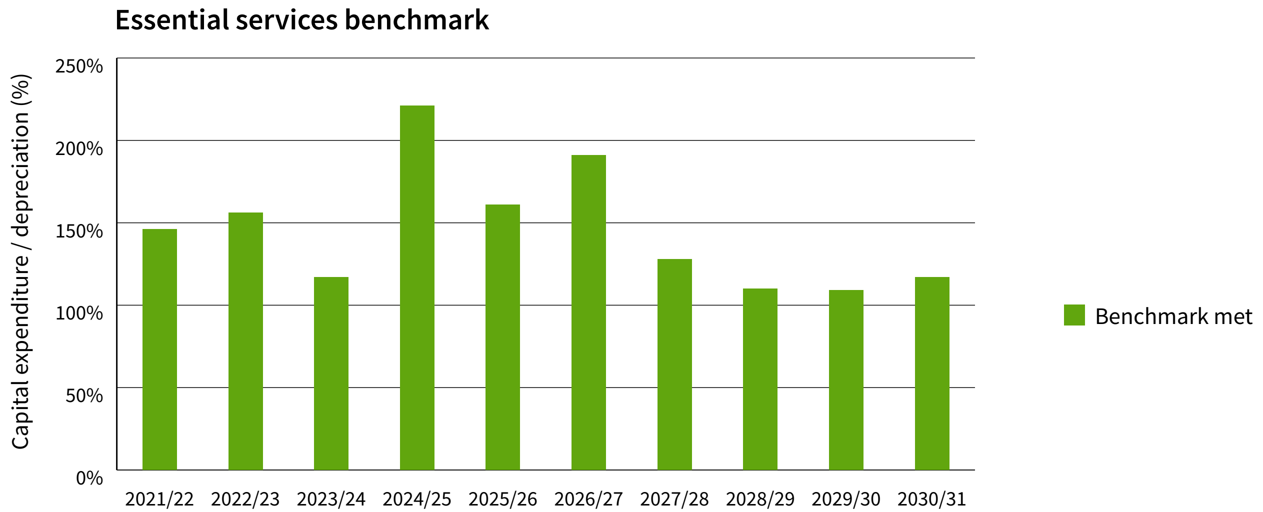


# Ko ngā ratonga mārire – Haumaru Waipuke me ngā Wai – Essential services – Flood protection and Water

This graph compares actual capital renewal expenditure with depreciation. The general concept is that over time capital expenditure will be similar to depreciation indicating that assets are being replaced in an appropriate and timely manner.

Over the 2021-31 Long Term Plan period we are not meeting this benchmark. With very long life assets such as pipelines this is not unexpected due to the extremely long replacement cycles. Assets like stop banks for flood protection are not expected to be renewed unless damaged by floods so do not have a renewal expectation.

Over the long term, there will be periods of significant replacement that counters the short-term outlook of this particular benchmark.



# He mōhiohio mō te pūnaha Reti – Rating system and information

## Rating policies, systems and indicative rates

This section complies with the requirements under Schedule 10 clauses 15(3)-(5) and 15A of the Local Government Act 2002. It should be read in conjunction with the Council's Revenue and Financing Policy. Figures quoted are exclusive of GST unless otherwise stated.

## Summary of Rates and Levies

Rates for Greater Wellington are mostly allocated to ratepayers on the basis of their capital values. Within the region, different territorial authorities undertake general revaluations at different times. To equalise the values, each year Council gets Quotable Value or another registered valuer to estimate the projected valuations of all the rateable land in the districts within the region. This means that rates are assessed on a consistent valuation basis, regardless of the timing of individual territorial authority revaluations.

The summary information in this section should be read in conjunction with the Funding Impact Statement and the Revenue and Financing Policy.

This table shows the rates and levies for Greater Wellington in 2021/22 with the changes from last year 2020/21. Rates comprise the general rate and various targeted rates. Greater Wellington also charges a water supply levy directly to the four city councils in the region, and they set their own rates to cover the cost of this levy.

The total rate increase in regional rates for 2021/22 is 12.95 percent. The water supply levy, which is charged to the four metropolitan city councils is proposed to increase by 9.6 percent from 2020/21. When the water supply levy is included, Greater Wellington Regional Council's overall increase is 12.3 percent.

## Summary of rates and levies

| | 2020/21 Plan $000s | 2021/22 Plan $000s | Change $000s | Change % |
|---|---|---|---|---|
| **General rates** | | | | |
| Catchment Management (excluding forests) | 23,267 | 26,586 | 3,318 | 14.26% |
| Other | 27,151 | 34,453 | 7,302 | 26.90% |
| Strategy Group | 7,037 | 8,756 | 1,719 | 24.42% |
| Investment Management. | (7,824) | (6,682) | 1,142 | 14.60% |
| General rate | **49,632** | **63,113** | **13,481** | |
| **Targeted rates** | | | | |
| Region wide targeted rates [1] | | | | |
| River management rate | 6,873 | 6,796 | (77) | |
| Public transport rate | 76,798 | 81,810 | 5,013 | |
| Stadium purposes rate | 0 | - | - | |
| Wellington regional strategy rate | 5,008 | 4,691 | (317) | |
| **Specific area targeted rates:** | | | | |
| Pest management rate | 596 | 667 | 70 | |
| South Wairarapa district – river rates | 98 | 100 | 2 | |
| Wairarapa scheme and stopbank rates | 1,561 | 1,609 | 48 | |
| **Total targeted rates [2]** | **90,934** | **95,673** | **4,738** | |
| **Total regional rates** | **140,566** | **158,786** | **18,220** | **13.0%** |
| **Water supply levy** | **35,860** | **39,319** | **3,460** | **9.6%** |
| **Total regional rates and levies** | **176,426** | **198,105** | **21,679** | **12.3%** |
| Warm Greater Wellington rates [3] | 3,392 | 2,869 | | |
| **Total rates and levies** | **179,817** | **200,973** | | |

1 Region-wide rates are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.

2 This total excludes "Warm Greater Wellington" targeted rates because they only apply to ratepayers who participate in the scheme.

3 The Warm Greater Wellington scheme assists regional ratepayers to insulate their homes. Only ratepayers who participate in the scheme are charged this rate.

All figures on this page exclude GST

## Impact on each city and district

Rates increases vary among cities and districts because of differing equalised capital values. Targeted rates are applied according to the Revenue and Financing Policy.

| | 2020/21 Plan $000s | 2021/22 Plan $000s | Change $000s | Change % |
|---|---|---|---|---|
| **Region-wide rates [1]** | | | | |
| Wellington city | 72,113 | 81,930 | 9,817 | |
| Hutt city | 26,818 | 28,952 | 2,134 | |
| Upper Hutt city | 9,674 | 10,886 | 1,212 | |
| Porirua city | 11,070 | 12,037 | 967 | |
| Kāpiti Coast district | 11,677 | 13,695 | 2,018 | |
| Masterton district | 3,157 | 4,178 | 1,021 | |
| Carterton district | 1,430 | 1,758 | 328 | |
| South Wairarapa district | 2,367 | 2,969 | 601 | |
| Tararua district | 4 | 6 | 2 | |
| **Total region-wide rates** | **138,311** | **156,410** | **18,100** | |
| **Specific area targeted rates** | | | | |
| Pest management rate | 596 | 667 | 70 | |
| South Wairarapa district – river rates | 98 | 100 | 2 | |
| Wairarapa scheme and stopbank rates | 1,561 | 1,609 | 48 | |
| **Total regional rates** | **140,566** | **158,786** | **18,220** | **13.0%** |
| **Water supply levy** | | | | |
| Wellington City Council | 18,470 | 20,053 | 1,583 | |
| Hutt City Council | 9,373 | 10,368 | 995 | |
| Upper Hutt City Council | 3,797 | 4,274 | 477 | |
| Porirua City Council | 4,219 | 4,624 | 405 | |
| **Water supply levy** | **35,860** | **39,319** | **3,460** | **9.6%** |
| **Total regional rates and levies [2]** | **176,426** | **198,105** | **21,679** | **12.3%** |
| Warm Wellington rate [3] | 3,392 | 2,869 | | |
| **Total rates and levies** | **179,817** | **200,973** | | |

1 Region-wide rates are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.

2 This total excludes "Warm Greater Wellington" targeted rates because they only apply to ratepayers who participate in the scheme.

3 The Warm Greater Wellington scheme assists regional ratepayers to insulate their homes. Only ratepayers who participate in the scheme are charged this rate.

All figures on this page exclude GST.

## Residential region-wide rates

Region-wide rates are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.

## Average value of residential property in each city or district

| | 2020/21 | 2021/22 |
|---|---|---|
| Wellington city | $802,957 | $801,940 |
| Hutt city | $627,429 | $631,058 |
| Upper Hutt city | $585,149 | $587,877 |
| Porirua city | $669,917 | $677,462 |
| Kāpiti Coast district excl. Ōtaki | $579,334 | $744,876 |
| Ōtaki rating area | $359,624 | $514,758 |
| Masterton district | $339,148 | $476,774 |
| Carterton district | $355,072 | $502,443 |
| South Wairarapa district | $421,910 | $602,735 |

## 2021/22 residential region-wide rates, for an average value residential property

| | General rate | | River management rate | | Public transport rate | | Wellington regional strategy rate | | Total region-wide rates | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2020/21 | 2021/22 | 2020/21 | 2021/22 | 2020/21 | 2021/22 | 2020/21 | 2021/22 | 2020/21 | 2021/22 |
| Wellington city | $265.83 | $330.73 | $0.85 | $0.71 | $293.68 | $325.60 | $16.10 | $16.10 | $576.47 | $673.14 |
| Hutt city | $219.17 | $275.11 | $117.68 | $108.25 | $317.19 | $313.04 | $16.10 | $16.10 | $670.15 | $712.50 |
| Upper Hutt city | $202.77 | $259.08 | $50.78 | $62.66 | $314.85 | $310.00 | $16.10 | $16.10 | $584.51 | $647.84 |
| Porirua city | $229.99 | $286.31 | $2.50 | $3.04 | $364.13 | $347.44 | $16.10 | $16.10 | $612.72 | $652.89 |
| Kāpiti Coast district excl. Ōtaki | $228.42 | $288.49 | $55.59 | $55.93 | $232.73 | $259.50 | $16.10 | $16.10 | $532.84 | $620.02 |
| Ōtaki rating area | $141.79 | $199.36 | $34.51 | $38.65 | $102.08 | $113.01 | $16.10 | $16.10 | $294.48 | $367.12 |
| Masterton district | $137.72 | $185.34 | $0.00 | $0.00 | $61.68 | $77.01 | $16.10 | $16.10 | $215.50 | $278.45 |
| Carterton district | $141.72 | $195.24 | $3.57 | $3.93 | $80.23 | $93.96 | $16.10 | $16.10 | $241.62 | $309.23 |
| South Wairarapa district | $165.05 | $231.66 | $0.00 | $0.00 | $107.60 | $122.55 | $16.10 | $16.10 | $288.74 | $370.31 |

## 2021/22 residential region-wide rates per $100k of valued residential property

| | General rate | | River management rate | | Public transport rate | | Total region-wide rates excl Wellington regional strategy rate | |
|---|---|---|---|---|---|---|---|---|
| | 2020/21 | 2021/22 | 2020/21 | 2021/22 | 2020/21 | 2021/22 | 2020/21 | 2021/22 |
| Wellington city | $33.11 | $41.24 | $0.11 | $0.09 | $36.57 | $40.60 | $69.79 | $81.93 |
| Hutt city | $34.93 | $43.60 | $18.76 | $17.15 | $50.55 | $49.60 | $104.24 | $110.35 |
| Upper Hutt city | $34.65 | $44.07 | $8.68 | $10.66 | $53.81 | $52.73 | $97.14 | $107.46 |
| Porirua city | $34.33 | $42.26 | $0.37 | $0.45 | $54.35 | $51.29 | $89.06 | $94.00 |
| Kāpiti Coast district excl. Ōtaki | $39.43 | $38.73 | $9.59 | $7.51 | $40.17 | $34.84 | $89.20 | $81.08 |
| Ōtaki rating area | $39.43 | $38.73 | $9.59 | $7.51 | $28.38 | $21.95 | $77.41 | $68.19 |
| Masterton district | $40.61 | $38.87 | $0.00 | $0.00 | $18.19 | $16.15 | $58.79 | $55.03 |
| Carterton district | $39.91 | $38.86 | $1.01 | $0.78 | $22.59 | $18.70 | $63.51 | $58.34 |
| South Wairarapa district | $39.12 | $38.43 | $0.00 | $0.00 | $25.50 | $20.33 | $64.62 | $58.77 |

Region-wide rates are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.
All figures on this page include GST.

## Average rates for each area and category

These tables show the region-wide rates that are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.

| Residential, including GST | Average capital value | Increase in 2021/22 | Increase per week | Rates 2021/22 | Rates per week |
|---|---|---|---|---|---|
| Wellington city | $801,940 | $97 | $1.86 | $673 | $12.94 |
| Hutt city | $631,058 | $42 | $0.81 | $712 | $13.70 |
| Upper Hutt city | $587,877 | $63 | $1.22 | $648 | $12.46 |
| Porirua city | $677,462 | $40 | $0.77 | $653 | $12.56 |
| Kāpiti Coast district excl. Ōtaki | $744,876 | $87 | $1.68 | $620 | $11.92 |
| Ōtaki rating area | $514,758 | $73 | $1.40 | $367 | $7.06 |
| Masterton district | $476,774 | $63 | $1.21 | $278 | $5.35 |
| Carterton district | $502,443 | $68 | $1.30 | $309 | $5.95 |
| South Wairarapa district | $602,735 | $82 | $1.57 | $370 | $7.12 |

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

| Rural, excluding GST | Average capital value | Increase in 2021/22 | Increase per week | Rates 2021/22 | Rates per week |
|---|---|---|---|---|---|
| Wellington city | $978,000 | $62 | $1.19 | $467 | $8.97 |
| Hutt city | $867,000 | $51 | $0.98 | $580 | $11.16 |
| Upper Hutt city | $869,000 | $87 | $1.67 | $542 | $10.43 |
| Porirua city | $1,348,000 | $81 | $1.56 | $680 | $13.08 |
| Kāpiti Coast district | $965,000 | $75 | $1.45 | $490 | $9.42 |
| Masterton district | $993,000 | $95 | $1.82 | $427 | $8.22 |
| Carterton district | $1,057,000 | $68 | $1.30 | $466 | $8.96 |
| South Wairarapa district | $1,196,000 | $86 | $1.66 | $515 | $9.90 |
| Tararua district | $1,598,000 | $167 | $3.22 | $569 | $10.93 |

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

| Business, excluding GST | Average capital value | Increase in 2021/22 | Increase per week | Rates 2021/22 | Rates per week |
|---|---|---|---|---|---|
| Wellington city | $2,443,000 | $327 | $6.28 | $2,442 | $46.96 |
| Wellington city - CBD | $3,021,000 | $918 | $17.65 | $10,380 | $199.62 |
| Hutt city | $2,082,000 | $186 | $3.57 | $2,353 | $45.26 |
| Upper Hutt city | $1,906,000 | $233 | $4.48 | $2,110 | $40.58 |
| Porirua city | $1,787,000 | $145 | $2.79 | $1,756 | $33.76 |
| Kāpiti Coast district | $1,347,000 | $99 | $1.91 | $1,154 | $22.19 |
| Masterton district | $1,286,000 | $292 | $5.62 | $840 | $16.15 |
| Carterton district | $555,000 | $45 | $0.87 | $379 | $7.28 |
| South Wairarapa district | $895,000 | $101 | $1.95 | $612 | $11.76 |

These projected rates exclude the targeted rural pest and river management rates that are not charged to all ratepayers

# He Reti tatauitai 2021/22 – Rates calculator 2021/22

Rates calculator for residential region-wide[1] rates for the year 2021/22.

Note: These calculations do not include Greater Wellington targeted rates that are specific to individual properties, and they do not include rates set by city or district councils. Greater Wellington rates are set and assessed by Greater Wellington but are invoiced and collected by the relevant city and district Council within the region. This combined collection arrangement is cost effective and more convenient for ratepayers.

| | 2021/22 region-wide rates per $100,000 of capital value | | Enter the capital value of your property | | | Wellington regional strategy rate | | Indicative rates on your property for 2021/22[1] |
|---|---|---|---|---|---|---|---|---|
| **Wellington city** | $71.24 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Hutt city** | $95.96 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Upper Hutt city** | $93.45 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Porirua city** | $81.74 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Kāpiti Coast district excl. Ōtaki** | $70.50 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Ōtaki rating area** | $59.30 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Masterton district** | $47.85 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Carterton district** | $50.73 | x | | ÷ 100,000 | + | $14.00 | = | |
| **South Wairarapa district** | $51.10 | x | | ÷ 100,000 | + | $14.00 | = | |
| **Hutt city example** | **$95.96** | **x** | **$350,000** | **÷ 100,000** | **+** | **$14.00** | **=** | **$349.86** |
| | | | | | | **includes GST @ 15%** | | **$402.34** |

1 Region-wide rates are charged to all ratepayers in the region. They exclude targeted rates for pest management, Wairarapa river and drainage schemes, and "Warm Greater Wellington", because those rates only apply to highly specific ratepayers in those work programmes.

# He kupu mō te tahua – Funding impact statement

## Rating mechanism

This section sets out how Greater Wellington will set its rates for 2021/22. It explains the basis on which each ratepayer's rating liability will be assessed.

| Funding mechanism | Groups of activities funded | Valuation system | Matters for differentiation/categories of land | Calculation factor |
|---|---|---|---|---|
| **General rate** | Regional Strategies and Partnerships,<br>Environment and Flood Protection,<br>Parks | Capital value | All rateable land, in Wellington city differentiated by land use | Cents per dollar of rateable capital value |
| **Targeted rates** | For more detail about each activity within these Groups of Activities, refer to the Activities of Greater Wellington section of this plan | | | |
| **Wellington regional strategy** | Regional Strategies and Partnerships | Capital value for business | Where the land is situated and the use to which the land is put | Cents per dollar of rateable capital value |
| | | N/A for residential | Where the land is situated and the use to which the land is put | Fixed dollar amount per rating unit |
| | | N/A for rural | Where the land is situated and the use to which the land is put | Fixed dollar amount per rating unit |
| **Warm Greater Wellington** | Regional Strategies and Partnerships | N/A | Provision of service to the land | Extent of service provided calculated as a percentage of the service provided |
| **Public transport** | Public transport | Capital value | Where the land is situated and the use to which the land is put | Cents per dollar of rateable capital value |
| **Pest management** | Environment | N/A | The use to which the land is put and the area of land within each rating unit | Dollars per hectare |
| **River management** | Flood Protection | Capital value/land value | Where the land is situated | Cents per dollar of rateable capital value / land value |
| **Wairarapa river management schemes** | Flood Protection | N/A | Where the land is situated (in some cases set under section 146 of the Local Government (Rating) Act 2002 using approved classification and differential registers) and/or the benefits accruing through the provision of services and in some cases use | Dollars per hectare in the area protected, or dollars per point attributed to each rating unit and in some cases a fixed charge per separately used or inhabited part (dwelling)[1] |
| **Wairarapa catchment schemes** | Flood Protection | N/A | Where the land is situated (in some cases set under S146 of the Local Government (Rating) Act 2002 using approved classification and differential registers) and in some cases use and land value | Dollars per hectare or cents per metre of river frontage in the area protected and in some cases a fixed charge per separately used or inhabited part (dwelling) and cents per dollar of rateable land value |
| **Wairarapa drainage schemes** | Flood Protection | N/A | Where the land is situated (Set under S146 of the Local Government (Rating) Act 2002 using approved classification and differential registers) | Dollars per hectare in the area protected |

1 "Separately used or inhabited part (dwelling)" includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use. To avoid doubt, a rating unit that has only one use (i.e., it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling).

## Differential on the general rate

As outlined in the introduction of this Plan, Greater Wellington has differential factors to the general rate within Wellington City. The objective of the differential is to address the impact of the allocation of rates within Wellington city in accordance with s101 (3) (b) of the Local Government Act.

The following differentials within Wellington City are designed to ensure that different property rating types pay an equitable share of the increased cost of providing services in 2021/22.

| | |
|---|---|
| Residential | 1 |
| Wellington CBD | 1.7 |
| Business | 1.3 |
| Rural | 1 |

The general rate for the other districts within the region is undifferentiated and rated at base category.

## Estimate of projected valuation

Greater Wellington uses an estimate of projected valuation under section 131 of the Local Government (Rating) Act 2002 to recognise that valuation dates vary across the region.

## Uniform annual general charge

Greater Wellington Regional Council does not set a Uniform Annual General Charge.

## Lump sum contributions

Except as to a discretion to accept lump sum contributions for Warm Wellington rates, the Council will not invite lump sum contributions in respect of any targeted rates.

## Rates categories

Each rating unit is allocated to a differential rating category based upon location and/or land use for the purpose of calculating general rates or targeted rates based upon capital or land value. As Greater Wellington rates are invoiced and collected by each of the territorial authorities in the Wellington region, Greater Wellington is limited to using rating categories based on those used by each of the territorial authorities. Set out below are the definitions used to allocate rating units into rating categories.

## Category 1 – Rates based on capital or land value

| Location | Use | Description |
|---|---|---|
| **Wellington city** | Regional CBD | All rating units classified as commercial, industrial and business properties within the downtown area boundary, currently shown on the Downtown Levy Area map of Wellington city. See map on page 241 for Wellington city downtown city centre business area. |
| | Wellington city business | All rating units classified as commercial, industrial and business properties in the rating information database for Wellington city outside the Downtown Levy Area map boundary |
| | Wellington city residential | All rating units classified as base (excluding rural and farm) in the rating information database for Wellington city |
| | Wellington city rural | All rating units sub-classified as rural or farm within the base category in the rating information database for Wellington city |
| **Lower Hutt city** | Lower Hutt city business | All rating units not classified as residential, rural or community facilities in the rating information database for Lower Hutt city |
| | Lower Hutt city residential | All rating units classified as residential or community facilities in the rating information database for Lower Hutt city |
| | Lower Hutt city rural | All rating units classified as rural in the rating information database for Lower Hutt city |
| **Porirua city** | Porirua city business | All rating units classified as business in the rating information database for Porirua city |
| | Porirua city residential | All rating units classified as residential in the rating information database for Porirua city |
| | Porirua city rural | All rating units classified as rural in the rating information database for Porirua city |
| **Upper Hutt city** | Upper Hutt city business | All rating units classified as business or utilities in the rating information database for Upper Hutt city |
| | Upper Hutt city residential | All rating units not classified as rural, business or utilities in the rating information database for Upper Hutt city |
| | Upper Hutt city rural | All rating units classified as rural in the rating information database for Upper Hutt city |
| **Kāpiti Coast district** | Kāpiti Coast district business | All rating units used for a commercial, business, industrial purpose or utility network activity in the Kāpiti Coast district rating information database |
| | Kāpiti Coast district residential | All rating units located in the urban rating areas, except those properties which meet the classification of rural, commercial, business, industrial purpose or utility network activity in the Kāpiti Coast district rating information database |
| | Kāpiti Coast district rural | All rating units classified in the rural rating areas for the Kāpiti Coast district |

| Location | Use | Description |
|---|---|---|
| Masterton district | Masterton district business | All rating units classified as non-residential urban in the Masterton district rating information database |
| | Masterton district residential | All rating units classified as urban residential in the Masterton district rating information database |
| | Masterton district rural | All rating units classified as rural in the rating information database for the Masterton district |
| Carterton district | Carterton district business | All rating units classified as urban commercial, urban industrial or urban smallholding – greater than one hectare in the Carterton district rating information database |
| | Carterton district residential | All rating units classified as urban residential in the Carterton district rating information database |
| | Carterton district rural | All rating units classified as rural in the rating information database for the Carterton district |
| South Wairarapa district | South Wairarapa district business | All rating units classified as commercial in the South Wairarapa district rating information database |
| | South Wairarapa district residential | All rating units classified as urban in the South Wairarapa district rating information database |
| | South Wairarapa district rural | All rating units classified as rural in the rating information database for the South Wairarapa district |
| | Greytown ward | All rating units classified in the rating area of the Greytown ward in the rating information database for the South Wairarapa district |
| | Greytown urban | All rating units classified in the urban area of Greytown in the rating information database for the South Wairarapa district. (Prefaced Nos 18400 and 18420) |
| | Featherston urban | All rating units classified in the urban area of Featherston in the rating information database for the South Wairarapa district. (Prefaced Nos 18440 and 18450) |
| Tararua district | | All rating units within the Tararua district area are classified as being within the boundaries of the Wellington region |

## Category 1A – General rate Wellington City

The following differentials within Wellington City are designed to ensure that different property rating types pay an equitable share of the increased cost of providing services in 2021/22.

| Location | Use | Description | Differential on the value for 2021/22 |
|---|---|---|---|
| Wellington city | Regional CBD | As in Category 1 above | 1.7 |
| | Wellington city business | As in Category 1 above | 1.3 |
| | Wellington city residential | As in Category 1 above | 1 |
| | Wellington city rural | As in Category 1 above | 1 |

The general rate is undifferentiated for other districts within the region.

## Category 2 – Public Transport rate

Public transport is funded from a targeted rate, based on capital value, with differentials based on where the land is situated and the use to which the land is put. The table below shows the rates differentials to be applied in 2020/21 under the first year of the transition provisions in the Revenue and Financing policy.

| Location | Use | Description | Differential on the value for 2021/22 |
|---|---|---|---|
| **Wellington city** | Regional CBD | As in Category 1 above | 6.91 |
| | Wellington city business | As in Category 1 above | 1.15 |
| | Wellington city residential | As in Category 1 above | 0.89 |
| | Wellington city rural | As in Category 1 above | 0.22 |
| **Lower Hutt city** | Lower Hutt city business | As in Category 1 above | 1.41 |
| | Lower Hutt city residential | As in Category 1 above | 1.14 |
| | Lower Hutt city rural | As in Category 1 above | 0.29 |
| **Porirua city** | Porirua city business | As in Category 1 above | 1.47 |
| | Porirua city residential | As in Category 1 above | 1.20 |
| | Porirua city rural | As in Category 1 above | 0.30 |
| **Upper Hutt city** | Upper Hutt city business | As in Category 1 above | 1.48 |
| | Upper Hutt city residential | As in Category 1 above | 1.22 |
| | Upper Hutt city rural | As in Category 1 above | 0.31 |
| **Kāpiti Coast district** | Kāpiti Coast district business | All rating units used for a commercial, business, industrial purpose or utility network activity in the Kāpiti Coast district rating information database | 1.17 |
| | Kāpiti Coast district residential excl. Ōtaki | All rating units located in the urban rating areas except those properties which meet the classification of rural, commercial, business, industrial purpose, utility network activity or Otaki residential in the Kāpiti Coast District rating information database. | 0.90 |
| | Ōtaki rating area residential | All rating units located in the Otaki urban rating area except those properties which meet the classification of rural, commercial, business, industrial purpose, utility network activity or "Kāpiti Coast District Residential excluding Otaki" in the Kāpiti Coast District rating information database | 0.57 |
| | Kāpiti Coast district rural | All rating units located in rural rating areas except those properties that meet the classification of commercial, business, industrial purpose, utility network or community activity in the Kāpiti Coast district rating information database | 0.23 |

| Location | Use | Description | Differential on the value for 2021/22 |
|---|---|---|---|
| **Masterton district** | Masterton district business | All rating units classified as non-residential urban in the Masterton district rating information database | 0.75 |
| | Masterton district residential | All rating units classified as urban residential in the Masterton district rating information database | 0.42 |
| | Masterton district rural | As in Category 1 above | 0.19 |
| **Carterton district** | Carterton district business | All rating units classified as urban commercial, urban industrial or urban smallholding – greater than one hectare in the Carterton district rating information database | 0.82 |
| | Carterton district residential | All rating units classified as urban residential in the Carterton district rating information database | 0.48 |
| | Carterton district rural | As in Category 1 above | 0.21 |
| **South Wairarapa district** | South Wairarapa district business | All rating units classified as commercial in the South Wairarapa district rating information database | 0.86 |
| | South Wairarapa district residential | All rating units classified as urban in the South Wairarapa district rating information database | 0.53 |
| | South Wairarapa district rural | As in Category 1 above | 0.22 |

### Category 3 – Targeted Rates based on land area, provision of service, land use or location.

Some targeted rates (either in whole or part) are allocated to differential rating categories (based on the area of land, provision of service, the use to which the land is put, or the location of the land) for the purpose of calculating pest management rates, catchment scheme rates, drainage scheme rates and river management scheme rates.

Some schemes have an additional fixed charge per separate use or inhabited part.

Rating units subject to river management scheme rates are shown within an approved classification register for each scheme. For more information on whether your rating unit is allocated to one or more of these categories, please contact Greater Wellington's Masterton office.

All rural rating units of four or more hectares are subject to the Pest management rate, that is all rating units that are four hectares or more sub-classified as rural or farm within the base category in the rating information database for each constituent district.

### Category 4 – Flood Protection – property rate for the Lower Wairarapa Valley Development Scheme

The Lower Wairarapa Valley Development Scheme is a targeted rate allocated according to extent of services received (as measured in a points system) and in some cases an additional fixed charge per separately used or inhabited part.

Rating units subject to this rate are shown within an approved classification register for each scheme. For more information on whether your rating unit is located in this area and for the points allocated to your property, please contact Greater Wellington's Masterton office.

### Category 5 – Warm Greater Wellington rate

The Warm Greater Wellington rate is a targeted rate set on properties that have benefited from the installation of insulation provided by Greater Wellington in respect of the property. The rate is calculated as a percentage of the service amount until the service amount and the costs of servicing the service amount are recovered.

In the final year of payment, the rate may be the actual balance rather than a percentage of the service amount.

### Category 6 –Wellington Regional Strategy rate

The Wellington Regional Strategy rate is a targeted rate allocated on a fixed-amount basis for residential and rural ratepayers, and capital value for businesses. For residential properties the fixed amount per rating unit is $14 plus GST and rural properties $28 plus GST. This rate funds the Wellington Regional Strategy activities including funding for WREDA, the region's economic development agency.

| Location | Use | Description |
|---|---|---|
| **Wellington city** | Regional CBD | As per differential category 1 |
| | Wellington city business | As per differential category 1 |
| | Wellington city residential | As per differential category 1 |
| | Wellington city rural | As per differential category 1 |
| **Lower Hutt city** | Lower Hutt city business | As per differential category 1 |
| | Lower Hutt city residential | As per differential category 1 |
| | Lower Hutt city rural | As per differential category 1 |
| **Porirua city** | Porirua city business | As per differential category 1 |
| | Porirua city residential | As per differential category 1 |
| | Porirua city rural | As per differential category 1 |
| **Upper Hutt city** | Upper Hutt city business | As per differential category 1 |
| | Upper Hutt city residential | As per differential category 1 |
| | Upper Hutt city rural | As per differential category 1 |
| **Kāpiti Coast district** | Kāpiti Coast district business | As per differential category 1 |
| | Kāpiti Coast district residential | As per differential category 1 |
| | Kāpiti Coast district rural | As per differential category 1 |
| **Masterton district** | Masterton district business | As per differential category 1 |
| | Masterton district residential | As per differential category 1 |
| | Masterton district rural | As per differential category 1 |
| **Carterton district** | Carterton district business | As per differential category 1 |
| | Carterton district residential | As per differential category 1 |
| | Carterton district rural | As per differential category 1 |
| **South Wairarapa district** | South Wairarapa district business | As per differential category 1 |
| | South Wairarapa district residential | As per differential category 1 |
| | South Wairarapa district rural | As per differential category 1 |
| **Tararua district** | | As per differential category 1 |

# He tauāki mō te pānga o te pūtea Reti – Rates funding impact statements

The table below outlines the impact of rates in your city district.

Please also visit our rates calculator webpage to assess the impact of rates on your individual property www.gw.govt.nz/regional-rates-calculator.

All figures on this page exclude GST.

## General rate

| | 2021/22 Cents per $ of rateable capital value | 2021/22 Revenue required $ |
|---|---|---|
| **Wellington city - CDB** | 0.06097 | 6,033,821 |
| **Wellington city - Business** | 0.04662 | 2,146,948 |
| **Wellington city - Residential** | 0.03586 | 21,093,983 |
| **Wellington city - Rural** | 0.03586 | 293,637 |
| **Hutt city** | 0.03791 | 10,945,061 |
| **Upper Hutt city** | 0.03837 | 4,423,680 |
| **Porirua city** | 0.03675 | 5,310,919 |
| **Kāpiti Coast district** | 0.03368 | 6,610,567 |
| **Masterton district** | 0.03380 | 2,920,823 |
| **Carterton district** | 0.03379 | 1,238,632 |
| **South Wairarapa district** | 0.03342 | 2,089,539 |
| **Tararua district** | 0.03384 | 5,406 |
| **Total general rate** | | **63,113,016** |

*Hutt city refers to the local government administrative area of Lower Hutt City.
All figures on this page exclude GST.

| Targeted rate<br>River management rate based on capital value | 2021/22<br>Cents per $ of rateable capital value | 2021/22<br>Revenue required $ |
|---|---|---|
| Wellington city | 0.00008 | 56,888 |
| Hutt city* | 0.01492 | 4,306,466 |
| Upper Hutt city | 0.00928 | 1,069,966 |
| Porirua city | 0.00039 | 56,371 |
| Kāpiti Coast district | 0.00653 | 1,281,539 |
| Carterton district | 0.00068 | 24,909 |
| **Total district-wide river management rate** | | **6,796,140** |
| Greytown ward | 0.00872 | 97,251 |
| **Total river management rates based upon capital value** | | **6,893,391** |

*Hutt city refers to the local government administrative area of Lower Hutt City.

| Targeted rate<br>River management | 2021/22<br>Cents per $ of rateable land value | 2021/22<br>Revenue required $ |
|---|---|---|
| Featherston urban: Donalds Creek Stopbank | 0.00098 | 2,748 |
| **Total river management rates based upon land value** | | **2,748** |
| | | |
| **Total river management rates** | | **6,896,138** |

| Targeted rate<br>Warm Greater Wellington<br>Based on extent of service provided | 2021/22<br>Percentage of service provided | 2021/22<br>Revenue required $ |
|---|---|---|
| For any ratepayer that utilises the service | 15.000% | 2,868,618 |

All figures on this page exclude GST.

| Targeted rate<br>Public transport rate | 2021/22<br>Cents per $ of rateable capital value | 2021/22<br>Revenue required $ |
|---|---|---|
| **Wellington city** | | |
| Regional CBD | 0.27521 | 27,237,588 |
| Business | 0.04592 | 2,114,618 |
| Residential | 0.03531 | 20,766,169 |
| Rural | 0.00889 | 72,760 |
| **Hutt city*** | | |
| Business | 0.05322 | 2,646,591 |
| Residential | 0.04313 | 10,127,400 |
| Rural | 0.01087 | 45,731 |
| **Upper Hutt city** | | |
| Business | 0.05462 | 799,340 |
| Residential | 0.04588 | 4,110,599 |
| Rural | 0.01154 | 133,299 |
| **Porirua city** | | |
| Business | 0.05438 | 780,098 |
| Residential | 0.04460 | 5,428,221 |
| Rural | 0.01125 | 95,038 |
| **Kāpiti Coast district** | | |
| Business | 0.03926 | 692,153 |
| Residential excl. Ōtaki | 0.03029 | 4,115,503 |
| Residential Ōtaki rating area | 0.01909 | 314,959 |
| Rural | 0.00764 | 201,057 |
| **Masterton district** | | |
| Business | 0.02529 | 185,662 |
| Residential | 0.01405 | 558,286 |
| Rural | 0.00643 | 252,688 |
| **Carterton district** | | |
| Business | 0.02750 | 34,826 |
| Residential | 0.01626 | 209,010 |
| Rural | 0.00697 | 157,005 |

*Hutt city refers to the local government administrative area of Lower Hutt City.

All figures on this page exclude GST.

| Targeted rate<br>Public transport rate | 2021/22<br>Cents per $ of rateable capital value | 2021/22<br>Revenue required $ |
|---|---|---|
| **South Wairarapa district** | | |
| Business | 0.02880 | 80,379 |
| Residential | 0.01768 | 369,043 |
| Rural | 0.00727 | 282,307 |
| **Total public transport rate** | | **81,810,331** |

| Targeted rate<br>Wellington regional strategy rate | $ per rating unit | 2021/22<br>Cents per $ of rateable capital value | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Wellington city** | | | |
| Regional CBD | | 0.00733 | 725,588 |
| Business | | 0.00733 | 337,617 |
| Residential – per rating unit | $14.00 | | 1,026,844 |
| Rural – per rating unit | $28.00 | | 23,436 |
| **Hutt city*** | | | |
| Business | | 0.00697 | 346,527 |
| Residential – per rating unit | $14.00 | | 520,604 |
| Rural – per rating unit | $28.00 | | 13,580 |
| **Upper Hutt city** | | | |
| Business | | 0.00704 | 100,460 |
| Residential – per rating unit | $14.00 | | 212,814 |
| Rural – per rating unit | $28.00 | | 35,616 |
| **Porirua city** | | | |
| Business | | 0.00676 | 96,917 |
| Residential – per rating unit | $14.00 | | 251,538 |
| Rural – per rating unit | $28.00 | | 17,556 |
| **Kāpiti Coast district** | | | |
| Business | | 0.00619 | 109,154 |
| Residential – per rating unit | $14.00 | | 297,780 |
| Rural – per rating unit | $28.00 | | 72,492 |

*Hutt city refers to the local government administrative area of Lower Hutt City.
All figures on this page exclude GST.

| Targeted rate<br>Wellington regional strategy rate | $ per rating unit | 2021/22<br>Cents per $ of rateable capital value | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Masterton district** | | | |
| Business | | 0.00621 | 45,618 |
| Residential – per rating unit | $14.00 | | 115,570 |
| Rural – per rating unit | $28.00 | | 99,540 |
| **Carterton district** | | | |
| Business | | 0.00621 | 7,865 |
| Residential – per rating unit | $14.00 | | 34,846 |
| Rural – per rating unit | $28.00 | | 51,324 |
| **South Wairarapa district** | | | |
| Business | | 0.00614 | 17,147 |
| Residential – per rating unit | $14.00 | | 47,208 |
| Rural – per rating unit | $28.00 | | 82,908 |
| **Tararua district – per rating unit** | **$28.00** | | **252** |
| | | | |
| **Total Wellington regional strategy rate** | | | **4,690,802** |

*Hutt city refers to the local government administrative area of Lower Hutt City.
All figures on this page exclude GST.

| Targeted rate<br>River management schemes 1 | | 2021/22<br>$ per hectare | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Waingawa** | A | 154.22135 | 5,231 |
| | B | 100.24382 | 13,063 |
| | C | 77.11068 | 8,806 |
| | D | 69.39963 | 162 |
| | E | 61.68848 | 10,352 |
| | F | 53.97743 | 1,401 |
| | G | 23.13324 | 1,085 |
| | H | 15.42209 | 2,600 |
| | | | **42,700** |
| **Upper Ruamahanga** | A | 151.95336 | 13,527 |
| | B | 126.62780 | 835 |
| | C | 101.30224 | 12,639 |
| | D | 75.97668 | 1,338 |
| | E | 50.65112 | 15,027 |
| | F | 25.32556 | 998 |
| | S | 1,426.85481 | 3,710 |
| | | | **48,074** |
| **Middle Ruamahanga** | A | 137.68324 | 5,554 |
| | B | 114.73605 | 6,257 |
| | C | 91.78886 | 469 |
| | D | 68.84157 | 7,789 |
| | E | 45.89438 | 1,384 |
| | F | 22.94719 | 6,778 |
| | S | 1,388.50933 | 2,916 |
| | | | **31,148** |

All figures on this page exclude GST.

| Targeted rate<br>River management schemes 1 (Continued) | | 2021/22<br>$ per hectare | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Lower Ruamahanga** | A | 70.24589 | 8,814 |
| | B | 60.21079 | 3,241 |
| | C | 50.17570 | 11,248 |
| | D | 40.14049 | 12,754 |
| | E | 30.10540 | 9,740 |
| | F | 20.07030 | 24,573 |
| | SA | 1,761.39562 | 4,403 |
| | SB | 880.69792 | 1,585 |
| | | | **76,358** |
| **Waiohine Rural** | A | 48.15011 | 5,416 |
| | B | 40.12505 | 15,359 |
| | C | 32.10010 | 41,021 |
| | D | 24.07505 | 8,928 |
| | E | 16.05000 | 12,804 |
| | S | 802.50190 | 13,723 |
| | | | **97,251** |
| **Mangatarere** | A | 36.37214 | 780 |
| | B | 34.79068 | 7,290 |
| | C | 29.48175 | 465 |
| | D | 26.09301 | 1,875 |
| | | | **10,410** |
| **Waipoua** | A | 117.14194 | 10,250 |
| | B | 93.71355 | 28,145 |
| | C | 70.28517 | 1,578 |
| | D | 46.85678 | 13,927 |
| | SA | 3,959.39769 | 396 |
| | SC | 2,366.26726 | 237 |
| | | | **54,533** |

All figures on this page exclude GST.

| Targeted rate<br>River management schemes 1 (Continued) | | 2021/22<br>$ per hectare | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Kopuaranga** | A2 | 126.46612 | 3,295 |
| | A3 | 113.82050 | 7,843 |
| | A4 | 63.23306 | 714 |
| | A5 | 44.26316 | 2,555 |
| | A6 | 25.29326 | 2,052 |
| | B2 | 25.29326 | 1,550 |
| | B3 | 22.77412 | 1,673 |
| | B4 | 12.64663 | 117 |
| | B5 | 8.85261 | 275 |
| | B6 | 5.05869 | 608 |
| | SA | 158.20781 | 791 |
| | SB | 79.10906 | 1,108 |
| | | | **22,581** |
| **Lower Taueru** | A | 5.16418 | 2,043 |
| | B | 1.03281 | 292 |
| | C | 0.51641 | 99 |
| | S | 258.21063 | 392 |
| | | | **2,825** |
| **Lower Whangaehu** | A | 22.70458 | 758 |
| | B | 18.16366 | 1,179 |
| | C | 13.62275 | 741 |
| | D | 9.08183 | 695 |
| | E | 4.54092 | 797 |
| | S | 113.52289 | 151 |
| | | | **4,323** |
| **Total river management scheme 1 rates** | | | **390,202** |

All figures on this page exclude GST.

"Separately used or inhabited part" (dwelling) includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual separate use. To avoid doubt, a rating unit that has only one use (i.e. it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling).

| Targeted rate<br>River management schemes 2 | | 2021/22<br>$ per dwelling | 2021/22<br>$ per point | 2021/22<br>Revenue required $ |
|---|---|---|---|---|
| **Lower Wairarapa valley Development Scheme** | A | | 0.26326 | 760,510 |
| | Sa | 21.11490 | | 8,805 |
| | Sb | 42.25976 | | 95,592 |
| **Total river management scheme 2 rates** | | | | **864,907** |

| | |
|---|---|
| **Total river management scheme rates** | **1,255,109** |

| Targeted rate<br>Catchment schemes 1 | | 2021/22<br>$ per hectare | 2021/22<br>Revenue required $ |
|---|---|---|---|
| **Whareama** | A | 4.63988 | 3,319 |
| | B | 1.78826 | 1,703 |
| | C | 0.31304 | 14,267 |
| | D | 0.00000 | 0 |
| | E | 0.22287 | 3 |
| | F | 0.17799 | 491 |
| | | | **19,784** |
| **Homewood** | A | 1.97915 | 4,542 |
| | B | 1.88489 | 1,041 |
| | C | 1.64924 | 6,040 |
| | D | 0.23565 | 410 |
| | | | **12,033** |
| **Maungaraki** | A | 1.03020 | 3,405 |
| | B | 0.51000 | 1,515 |
| | | | **4,921** |

All figures on this page exclude GST.

| Targeted rate Catchment schemes 1 | | 2021/22 $ per hectare | 2021/22 Revenue required $ |
|---|---|---|---|
| **Upper Kaiwhata** | A | 10.63112 | 347 |
| | B | 4.65111 | 245 |
| | C | 0.66440 | 637 |
| | D | 0.39868 | 818 |
| | E | 0.26582 | 436 |
| | F | 0.13286 | 60 |
| | | | **2,543** |
| **Lower Kaiwhata** | A | 17.27730 | 794 |
| | B | 7.55882 | 336 |
| | C | 1.07983 | 1,251 |
| | D | 0.64786 | 1,917 |
| | E | 0.00000 | 0 |
| | F | 0.21599 | 75 |
| | | | **4,373** |
| **Catchment management scheme 1 rates** | | | **43,654** |

| Targeted rate Catchment schemes 2 | | 2021/22 Cents per $ of rateable land value | 2021/22 Revenue required $ |
|---|---|---|---|
| **Awhea-Opouawe** | Land value | 0.01273 | 10,734 |
| **Mataikona-Whakataki** | Land value within scheme area | 0.00288 | 4,013 |
| **Catchment management scheme 2 rates** | | | **14,747** |

| Targeted rate Catchment schemes 3 | | 2021/22 $ per dwelling | 2021/22 Revenue required $ |
|---|---|---|---|
| **Awhea-Opouawe** | Charge per dwelling | $140.02 / $70.09 | 12,057 |
| **Maungaraki** | Charge per dwelling | $23.08 | 439 |
| **Mataikona-Whakataki** | Charge per dwelling | $23.45 | 2,805 |
| **Catchment management scheme 3 rates** | | | **15,301** |

| Targeted rate Catchment schemes 4 | | 2021/22 Cents per metre of river frontage | 2021/22 Revenue required $ |
|---|---|---|---|
| **Maungaraki** | River frontage | 0.03680 | 1,752 |
| **Catchment management scheme 4 rates** | | | 1,752 |
| **Total catchment management scheme rates** | | | **75,453** |

All figures on this page exclude GST.

| Targeted rate Pump drainage schemes | | 2021/22 $ per hectare | 2021/22 Revenue required $ |
|---|---|---|---|
| **Te Hopai** | A | 43.63662 | 54,398 |
| **Moonmoot pump** | A | 122.37450 | 27,867 |
| **Onoke pump** | A | 71.19090 | 50,790 |
| **Pouawha pump** | A | 107.39682 | 101,544 |
| **Total pump drainage scheme rates** | | | **234,599** |

| Targeted rate Gravity drainage schemes | | 2021/22 $ per hectare | 2021/22 Revenue required $ |
|---|---|---|---|
| **Okawa** | A | 7.36480 | 2,077 |
| **Taumata** | A | 6.63366 | 1,927 |
| **East Pukio** | A | 29.16208 | 3,310 |
| **Longbush** | A | 16.55943 | 3,612 |
| | B | 8.27972 | 1,040 |
| **Otahoua** | A | 34.00134 | 3,152 |
| **Te Whiti** | A | 10.02683 | 1,417 |
| **Ahikouka** | A | 28.54437 | 3,203 |
| **Battersea** | A | 15.87250 | 2,677 |
| | B | 13.14175 | 2,567 |
| | C | 10.24029 | 3,240 |
| | D | 6.14422 | 938 |
| | E | 5.29080 | 1,073 |
| | F | 5.12020 | 361 |
| **Manaia** | A | 23.89889 | 4,170 |
| **Whakawiriwiri** | A | 12.05880 | 8,693 |
| **Total gravity drainage scheme rates** | | | **43,459** |

| Targeted rate Pest management | 2021/22 $ per hectare | 2021/22 Revenue required $ |
|---|---|---|
| **Rural land area. Land area of 4 or more hectares in all rural classified areas** | 1.10668 | 666,800 |
| **Total pest management rate** | | **666,800** |

All figures on this page exclude GST.

"Separately used or inhabited part" (dwelling) includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual separate use. To avoid of doubt, a rating unit that has only one use (i.e. it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part (dwelling).

## Wellington City downtown levy area map

For the purposes of the Wellington City Downtown City Centre Business targeted transport rate, the downtown area refers to the area described by the following Wellington City Downtown Levy Area Map as amended by Wellington City Council from time to time.