
ORDINARY MEETING

OF

**PŪRORO MAHEREHERE | ANNUAL PLAN/LONG-TERM PLAN
COMMITTEE**

MINUTES

Time: 9:30am
Date: Tuesday, 8 March 2022
Venue: Virtual meeting

PRESENT

Mayor Foster (Deputy Chair) (via audiovisual link)
Deputy Mayor Free (via audiovisual link)
Councillor Calvert (via audiovisual link)
Councillor Condie (via audiovisual link)
Councillor Day (via audiovisual link)
Councillor Fitzsimons (via audiovisual link)
Councillor Foon (via audiovisual link)
Liz Kelly (via audiovisual link)
Councillor Matthews (Chair) (via audiovisual link)
Councillor O'Neill (via audiovisual link)
Councillor Pannett (via audiovisual link)
Councillor Paul (via audiovisual link)
Councillor Rush (via audiovisual link)
Councillor Woolf (via audiovisual link)
Councillor Young (via audiovisual link)

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1. Meeting Conduct

1.1 Karakia

The Chairperson declared the meeting open at 10:46am and invited members to stand and read the following karakia to open the meeting.

Whakataka te hau ki te uru,	Cease oh winds of the west
Whakataka te hau ki te tonga.	and of the south
Kia mākinakina ki uta,	Let the bracing breezes flow,
Kia mātaratara ki tai.	over the land and the sea.
E hī ake ana te atākura.	Let the red-tipped dawn come
He tio, he huka, he hauhū.	with a sharpened edge, a touch of frost,
Tihei Mauri Ora!	a promise of a glorious day

1.2 Apologies

Moved Councillor Matthews, seconded Councillor O'Neill

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

1. Accept the apologies received from Cr Rush for lateness Cr Woolf for early departure.

Carried

1.3 Conflict of Interest Declarations

Deputy Mayor Free declared a conflict relating to clause 5 of item 2.2 2022/23 Annual Plan & LTP Amendment Consultation Document and did not speak to or vote on that clause.

1.4 Confirmation of Minutes

Moved Councillor Matthews, seconded Councillor Day

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

1. Approve the minutes of the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee Meeting held on 8 February 2022, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

1.5 Items not on the Agenda

There were no items not on the agenda.

1.6 Public Participation

1.6.1 Marion Read

Marion Read addressed the meeting regarding item 2.2 2022/23 Annual Plan & LTP Amendment Consultation Document.

Attachments

- 1 Marion Read Presentation

1.6.2 George Hobson - Forest and Bird Youth

On behalf of Forest and Bird Youth, George Hobson addressed the meeting regarding item 2.2 2022/23 Annual Plan & LTP Amendment Consultation Document.

The meeting adjourned at 12:32pm and resumed at 1:03pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Mayor Foster, Deputy Mayor Free, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Woolf and Nicola Young.

The meeting adjourned at 1:08pm and resumed at 1:13pm with the following members present: Councillor Calvert, Councillor Condie, Councillor Day, Councillor Fitzsimons, Councillor Foon, Mayor Foster, Deputy Mayor Free, Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Paul, Councillor Woolf and Nicola Young.

(Liz Kelly returned to the meeting at 1:13pm)

(Councillor Rush joined the meeting at 1:15pm)

2. General Business

2.1 Establishing an Environmental and Accessibility Performance Fund

Moved Councillor Pannett, seconded Councillor Matthews

Resolved

That Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) Receive the information.
- 2) Agree to include the proposal for an Environmental and Accessibility Performance Fund within the 2022/23 Annual Plan consultation. This fund is proposed to accept applications from new projects that are:
 - A) Medium/large development of 10 or more effective housing units (residential) or ~~500~~ **1000** square metres or larger (commercial) and;
 - B) At least 50% of the development achieves Lifemark-3 certification or higher (residential only) and/or;
 - C) Green Star 5 or higher (commercial)/ Homestar 7 or higher (residential) or;
 - D) Living Building Challenge certification (commercial and residential).
- 3) Agree to a total of \$20 million for a seven-year Environmental and Accessibility Performance Fund commencing in the 2022/23 Annual Plan.

- 4) Agree to debt-funding this amount to recognise the long-term benefits delivered to the city and avoid immediate impact on rates. Repayments will start in 2023/24, depending on the uptake.
- 5) Agree to a proposed cap of funding per project.
- 6) Direct officers to report back to Planning and Environment Committee to approve policy parameters, funding cap and criteria alongside alternative mechanisms to encourage sustainable and accessible buildings pending feedback from relevant stakeholders before 9 June 2022.
- 7) Agree that this fund will replace the existing Green Building Remission in the Development Contributions policy if it is included in the Annual Plan (apart from existing Remission applications that have been approved at that time).
- 8) Agree that officers will report back at the next LTP on the uptake of the fund.

Carried

Secretarial note: The motion was moved with changes from the recommendation in the officers' report marked in red. The changes were supported by officers.

Secretarial note: Voting on this motion was taken part by part, with clause 1), clause 3), and clauses 2), 4), 5), 6), 7), and 8) voted on separately. All clauses were carried.

2.2 2022/23 Annual Plan & LTP Amendment Consultation Document

Moved Mayor Foster, seconded Councillor Condie the following motion

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) Receive the information.
- 2) Note officers' response in this report to Committee request for information on:
 - a. transitioning from using pesticide to alternative non-toxic methods for pest weed control in Wellington
 - b. whether funding support is required from WCC for the Sanctuary to Sea Project, and
 - c. opportunities to increase Council's tree planting programme
- 3) Agree to additional funding of \$195,000 opex per year over 10 years to be included in the draft annual plan for an expanded operational team to support council's current restorative planting programme (further information in Attachment 4)
- 4) Note officers' response to Committee's request to identify rates increase mitigation options as outlined in Attachment 1.
- 5) Agree to the proposed increase to encroachment license / lease fees (as detailed in Attachment 2) as follows:
 - a. increase encroachment fees from \$13.33 to \$26.66/m² from 1 July 2022
 - b. increase the lease fee for the airspace and subsoil encroachments by 100 percent to reflect the added property value to the lease holders
 - c. set encroachment fees based on rateable land value as the preferred long-term approach to be considered in the 2024-34 Long-Term Plan

- 6) Agree the proposed increase to Fees and User Charges for consultation as outlined in Attachment 3.
- 7) Agree to ceasing city centre parking charges between the hours of 6-8pm Sunday to Thursday until 30 June 2023.
- 8) Agree the projects and programmes budgets as outlined in Attachment 5 and 6.
- 9) Note the current draft budget represents a proposed 8.8% rates increase before growth.
- 10) Agree to maintain the percentage split of total general rates between Commercial and Base ratepayers, which is currently 44% and 56% respectively, and amend the general rates differential to achieve this.
- 11) Note that the Consultation Document includes a Statement of Proposal on amending the 2021 Long-Term Plan on City Housing and Residual Waste and the draft 2022/23 Annual Plan, and that the Consultation Document will be updated to reflect the decisions of this Committee meeting before being presented to **Committee Council** for adoption on **29 31** March 2022.
- 12) Note that the 2022 Long-Term Plan amendment is subject to Audit NZ review and changes may eventuate from their review. Where there are changes, these will be incorporated into the consultation document (Statement of Proposal) for **Committee Council** on **29 31** March 2022.
- 13) Agree the Consultation Document (amendment of 2021 Long-Term Plan and draft 2022/23 Annual Plan) as Attachment 6 to be submitted for audit review.
- 14) ~~Agree the subsequent changes to the 2021-31 Long-Term Plan as outlined in Attachment 7 (to be tabled at the meeting).~~ **Note that subsequent changes to the 2021-31 Long-Term Plan will be prepared based on the decisions of this committee and brought to this Committee on 29 March for adoption, prior to consultation.**
- 15) **Note that in order to facilitate tenant feedback on the City Housing LTP amendment, an additional week will be allowed for city housing tenants to make late submissions and the hearing their submissions will be scheduled for the later planned hearing slots where required.**
- 16) **Delegate to the Chief Executive and the Mayor and Chair of the Pūroro Maherehere | Annual Plan/Long Term Plan Committee the authority to make minor changes to the consultation document in the interests of clarity or additional information for residents.**

Secretarial note: The motion was moved with changes from the recommendation in the officers' report marked in red. The changes were supported by officers.

Moved Councillor Matthews, seconded Councillor O'Neill the following amendment

Resolved

- 3) Agree to additional funding of ~~\$195,000 opex per year over 10 years~~ **\$445,000 opex per year over 10 years 'Option 4'** to be included in the draft annual plan for an expanded operational team to support council's current restorative planting programme (further information in Attachment 4)
- 17) Note the current level of overdue library charges is \$510,737; that \$407,312 is forecast to be collected from library charges for the 2022/23 year; and that the removal of these charges would result in an approximate additional 0.1% rates pressure in the 2022/23

year.

- 18) Approve including the removal of all charges for overdue library items in the draft 2022/23 Annual Plan and budget

Carried

Secretarial note: Voting on this amendment was taken part by part, with clause 3), and clauses 17) and 18) voted on separately. All clauses were carried.

The meeting adjourned at 2:25pm and resumed at 2:30pm with all members present.

Moved Councillor Fitzsimons, seconded Councillor Day the following amendment

Resolved

- 19) Note that the Council recognises the Wellington Chamber of Commerce as an important voice for Wellington business.
- ~~20) Agree that the Wellington City Council does not renew its membership of the Wellington Chamber of Commerce.~~
- 21) Agree that the Wellington City Council review its membership of any other advocacy groups.

Carried

Secretarial note: Voting on this amendment was taken part by part, with clause 19), clause 20), and clause 21) all voted on separately. Clauses 19) and 21) were carried, and clause 20) was lost.

The meeting adjourned at 3:07pm and resumed at 3:20pm with all members present.

Moved Councillor Calvert, seconded Councillor Young the following amendment

- 23) Note that Council's operating budget has increased approximately 10% (from the previous financial year) from \$600 million to \$660 million
- 24) Request officers to identify a further \$21 million in operational savings (approximately equivalent to a 5% rates increase and 3% of the operational budget) from (but not limited to) annual discretionary grants funding, delaying operating expenditure increased in the LTP and postponing and or rescheduling non-essential/lower priority capital delivery projects for the 2022/23 year.
- 25) Note that it is likely additional funding will be required for increased expenditure required for water infrastructure (operational and capital delivery)
- 26) Review the Downtown targeted rate and Commercial base targeted rate to ensure funding is collected and being applied in adherence with the Council's Revenue and Financing policy
- 27) Agree to maintain the Commercial rate differential of 3.25:1 in accordance with rating policy
- 28) Agree to include in the Consultation document that the "Council is currently considering additional opportunities for further operational savings and reviewing its capital delivery projects planned for 2022/23, in part due to the short to medium impacts of Covid on the availability of resourcing and materials."

Lost

The meeting adjourned at 4:11pm and resumed at 4:16pm with all members present.

Moved Mayor Foster, seconded Councillor Condie the following substantive motion

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) Receive the information.
- 2) Note officers' response in this report to Committee request for information on:
 - a. transitioning from using pesticide to alternative non-toxic methods for pest weed control in Wellington
 - b. whether funding support is required from WCC for the Sanctuary to Sea Project, and
 - c. opportunities to increase Council's tree planting programme
- 3) Agree to additional funding of ~~\$195,000 opex per year over 10 years~~ **\$445,000 opex per year over 10 years 'Option 4'** to be included in the draft annual plan for an expanded operational team to support council's current restorative planting programme (further information in Attachment 4)
- 4) Note officers' response to Committee's request to identify rates increase mitigation options as outlined in Attachment 1.
- 5) Agree to the proposed increase to encroachment license / lease fees (as detailed in Attachment 2) as follows:
 - a. increase encroachment fees from \$13.33 to \$26.66/m² from 1 July 2022
 - b. increase the lease fee for the airspace and subsoil encroachments by 100 percent to reflect the added property value to the lease holders
 - c. set encroachment fees based on rateable land value as the preferred long-term approach to be considered in the 2024-34 Long-Term Plan
- 6) Agree the proposed increase to Fees and User Charges for consultation as outlined in Attachment 3.
- ~~7) Agree to ceasing city centre parking charges between the hours of 6-8pm Sunday to Thursday until 30 June 2023.~~
- 8) Agree the projects and programmes budgets as outlined in Attachment 5 and 6.
- 9) Note the current draft budget represents a proposed 8.8% rates increase before growth.
- 10) Agree to maintain the percentage split of total general rates between Commercial and Base ratepayers, which is currently 44% and 56% respectively, and amend the general rates differential to achieve this.
- 11) Note that the Consultation Document includes a Statement of Proposal on amending the 2021 Long-Term Plan on City Housing and Residual Waste and the draft 2022/23 Annual Plan, and that the Consultation Document will be updated to reflect the decisions of this Committee meeting before being presented to **Committee Council** for adoption on ~~29~~ **31** March 2022.
- 12) Note that the 2022 Long-Term Plan amendment is subject to Audit NZ review and

changes may eventuate from their review. Where there are changes, these will be incorporated into the consultation document (Statement of Proposal) for **Committee Council** on ~~29~~ 31 March 2022.

- 13) Agree the Consultation Document (amendment of 2021 Long-Term Plan and draft 2022/23 Annual Plan) as Attachment 6 to be submitted for audit review.
- 14) ~~Agree the subsequent changes to the 2021-31 Long-Term Plan as outlined in Attachment 7 (to be tabled at the meeting).~~ **Note that subsequent changes to the 2021-31 Long-Term Plan will be prepared based on the decisions of this committee and brought to this Committee on 29 March for adoption, prior to consultation.**
- 15) **Note that in order to facilitate tenant feedback on the City Housing LTP amendment, an additional week will be allowed for city housing tenants to make late submissions and the hearing their submissions will be scheduled for the later planned hearing slots where required.**
- 16) **Delegate to the Chief Executive and the Mayor and Chair of the Puroro Maherehere | Annual Plan/Long Term Plan Committee the authority to make minor changes to the consultation document in the interests of clarity or additional information for residents.**
- 17) **Note the current level of overdue library charges is \$510,737; that \$407,312 is forecast to be collected from library charges for the 2022/23 year; and that the removal of these charges would result in an approximate additional 0.1% rates pressure in the 2022/23 year.**
- 18) **Approve including the removal of all charges for overdue library items in the draft 2022/23 Annual Plan and budget**
- 19) **Note that the Council recognises the Wellington Chamber of Commerce as an important voice for Wellington business.**
- 20) **Agree that the Wellington City Council review its membership of any other advocacy groups.**

Carried

Secretarial note: Voting on this motion was taken part by part, with clause 3), clause 5), clause 7), clause 10), and clauses 1), 2), 4), 6), 8), 9), and 11) to 20) all voted on separately. Clause 7) was lost and all other clauses were carried.

Secretarial note: Deputy Mayor Free declared a conflict relating to clause 5 of item 2.2 2022/23 Annual Plan & LTP Amendment Consultation Document and did not speak to or vote on that clause.

Secretarial note: For clarity, the final carried motion was as follows:

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) Receive the information.
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 - a. transitioning from using pesticide to alternative non-toxic methods for pest weed control in Wellington
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 - c. opportunities to increase Council's tree planting programme

- 3) Agree to additional funding of \$445,000 opex per year over 10 years 'Option 4' to be included in the draft annual plan for an expanded operational team to support council's current restorative planting programme (further information in Attachment 4)
- 4) Note officers' response to Committee's request to identify rates increase mitigation options as outlined in Attachment 1.
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- 8) Note the current draft budget represents a proposed 8.8% rates increase before growth.
- 9) Agree to maintain the percentage split of total general rates between Commercial and Base ratepayers, which is currently 44% and 56% respectively, and amend the general rates differential to achieve this.
- 10) Note that the Consultation Document includes a Statement of Proposal on amending the 2021 Long-Term Plan on City Housing and Residual Waste and the draft 2022/23 Annual Plan, and that the Consultation Document will be updated to reflect the decisions of this Committee meeting before being presented to Committee for adoption on 29 March 2022.
- 11) Note that the 2022 Long-Term Plan amendment is subject to Audit NZ review and changes may eventuate from their review. Where there are changes, these will be incorporated into the consultation document (Statement of Proposal) for Committee on 29 March 2022.
- 12) Agree the Consultation Document (amendment of 2021 Long-Term Plan and draft 2022/23 Annual Plan) as Attachment 6 to be submitted for audit review.
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- 14) Note that in order to facilitate tenant feedback on the City Housing LTP amendment, an additional week will be allowed for city housing tenants to make late submissions and the hearing their submissions will be scheduled for the later planned hearing slots where required.
- 15) Delegate to the Chief Executive and the Mayor and Chair of the Puroro Maherehere | Annual Plan/Long Term Plan Committee the authority to make minor changes to the consultation document in the interests of clarity or additional information for residents.
- 16) Note the current level of overdue library charges is \$510,737; that \$407,312 is forecast to be collected from library charges for the 2022/23 year; and that the removal of these

charges would result in an approximate additional 0.1% rates pressure in the 2022/23 year.

- 17) Approve including the removal of all charges for overdue library items in the draft 2022/23 Annual Plan and budget
- 18) Note that the Council recognises the Wellington Chamber of Commerce as an important voice for Wellington business.
- 19) Agree that the Wellington City Council review its membership of any other advocacy groups.

Attachments

- 1 Officer Presentation
- 2 Officer Tabled Document

Meeting duration

Moved Councillor Matthews, seconded Councillor Condie

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

- 1) Agree to continue the meeting beyond six hours, in accordance with Standing Order 11.7.

Carried

2.3 Forward Programme

Moved Councillor Matthews, seconded Mayor Foster

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

1. Receive the information.

Carried

2.4 Actions Tracking

Moved Councillor Matthews, seconded Mayor Foster

Resolved

That the Pūroro Maherehere | Annual Plan/Long-Term Plan Committee:

1. Receive the information.

Carried

(Councillor Young left the meeting at 4:51pm)

The meeting concluded at 4:52pm with the reading of the following karakia:

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana, te wairua	Draw on the supreme sacredness To clear, to free the heart, the body and the spirit of mankind
I te ara takatū	
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

Authenticated: _____
Chair

Why Fines Free Libraries?

Marion Read

Libraries Advisor LGNZ

Acknowledging Louise LaHatte & Eliza Richards – Auckland Libraries

March 2022

600+
libraries
fines free in
world

100%
public libraries
in Ireland fines
free 😊

31%
17 public
libraries
completely
fines free in
Aotearoa

79%
50 public
libraries with no
fines for
children in
Aotearoa

Why go fines free?



To ensure everyone has fair and equitable access to information, reading, learning and connections to their communities

To deliver on social, economic and cultural community wellbeings

- Fines are punitive, affecting mostly those who cannot afford to pay
- The shame of not being able to afford to pay fines stops people benefitting
- Removing fines increases use and membership of libraries

Building the case / busting the myths

MYTH #1: FINES ARE A KEY SOURCE OF LIBRARY REVENUE

Fact: Studies show that fines account for less than 1% of library budgets, and cost far more administrative effort to collect.

MYTH #2: FINES ARE AN EFFECTIVE INCENTIVE TO RETURN LIBRARY MATERIALS ON TIME

Fact: Multiple studies show that there is no empirical evidence that charging late fines is a successful way to have people return items on time.

2022/23 Annual plan and 2021 LTP Amendment

AP/LTP Committee
8 March 2022



Report Introduction

1 Background

2 2022/23 Annual Plan budget

- Rates mitigation options
- Rates for 2022/23
- Rates differential

3 LTP amendment

- City Housing
- Residual waste

4 Consultation

5 Next steps

Background

2021 LTP

- 2021 LTP: strong investment focus on infrastructure and city improvements
- 2021 LTP received support from Wellingtonians

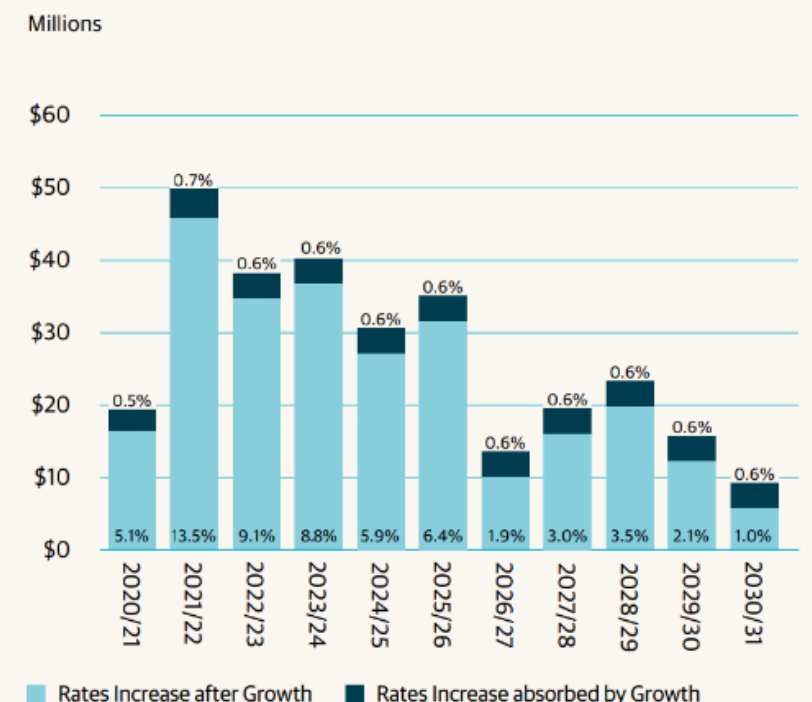
Current draft budget for 2022/23 has:

- 8.8% rates increase(before growth)
- \$421m capital programme
- Debt to Revenue 234%
- Closing Debt \$1.3bn
- Significant (\$15m) savings built into the base budget for year two

LTP Year 2 included:

\$673m operating costs	9.7% rates increase before growth
\$373m capital costs	235% debt to revenue position

Year-on-year rates increase



Overview of 22/23 programme

Extensive programme of city investments agreed in LTP

Starting

- Begonia House Precinct
- Kerbside Waste Servicing Options
- Bond Store upgrade
- Venues upgrades
- Freyberg Pool
- Skate Parks
- Community sports asset renewals
- Wadestown Community Centre
- City Housing Upgrade Phase 2
- Paneke Pōneke – Bike Network
- LGWM early delivery

Continuing

- Digitisation of City Archives
- Ōtari walkway upgrades
- Huetepara Park - Phase 1
- Te Atakura programme
- Omāroro Reservoir
- Three waters
- Sludge Minimisation Project
- Te Matapihi Central Library
- City Housing - Healthy Homes
- City Housing - CHP
- Town Hall
- Pōneke Promise
- Sustainable Food Network
- District Plan
- Te Kāinga programme

- Paneke Pōneke – Bike Network
- Public Space upgrades

Finishing

- Tākina WCEC
- Youth Hub
- Public Space upgrades
- Bike network transitional projects
- Ngaio Gorge

These projects are new investments above and beyond the ongoing delivery of Council Services

Operating in period of uncertainty

- Deliverability constraints due to Covid have resulted in rescheduling the capital programme (decision in November 21)
- The full LTP capital programme will be delivered but with an early focus on priority projects as we build delivery capacity
- Risk for delivery and budget in 2022/23 - including from market constraints and Covid disruption remain
- But with borders opening, access to resourcing will improve
- Targets or revenue projections for the Annual Plan not revised. But will manage it as a risk and monitor closely.
- Constraints also create challenges for residents and businesses
- Omicron / protest / increasing WFH places some sectors under considerable stress – particularly retail / hospitality
- But many economic sectors performing strongly, but uncertainty remains

2022/23 Budget: Rates Mitigations

Options Considered

- Savings of \$15m already allocated to 2022/23 Annual Plan
- Explored a number of levers to reduce rates further as per committee resolution:
 - levels of service / discretionary grants
 - delay opex expenditure / review LTP assumptions
 - revenue / delivery models / review capital programmes
- Many are not feasible in the short term, are not practical, would be inconsistent with agreed policies/strategies or will not deliver material savings (Note: \$3.9m opex required for 1% rates reduction)

Recommended

- **One:** Road encroachment fee increase to recognise market value of the land (Committee decision today / additional \$1.5m / not loaded in the budget)
- **Two:** reviewed assumptions on timing of project capitalisation for depreciation savings: OPEX and Rates impact 2022/23 - \$4.6m / already in revised budget included in draft AP budget

Encroachment fees

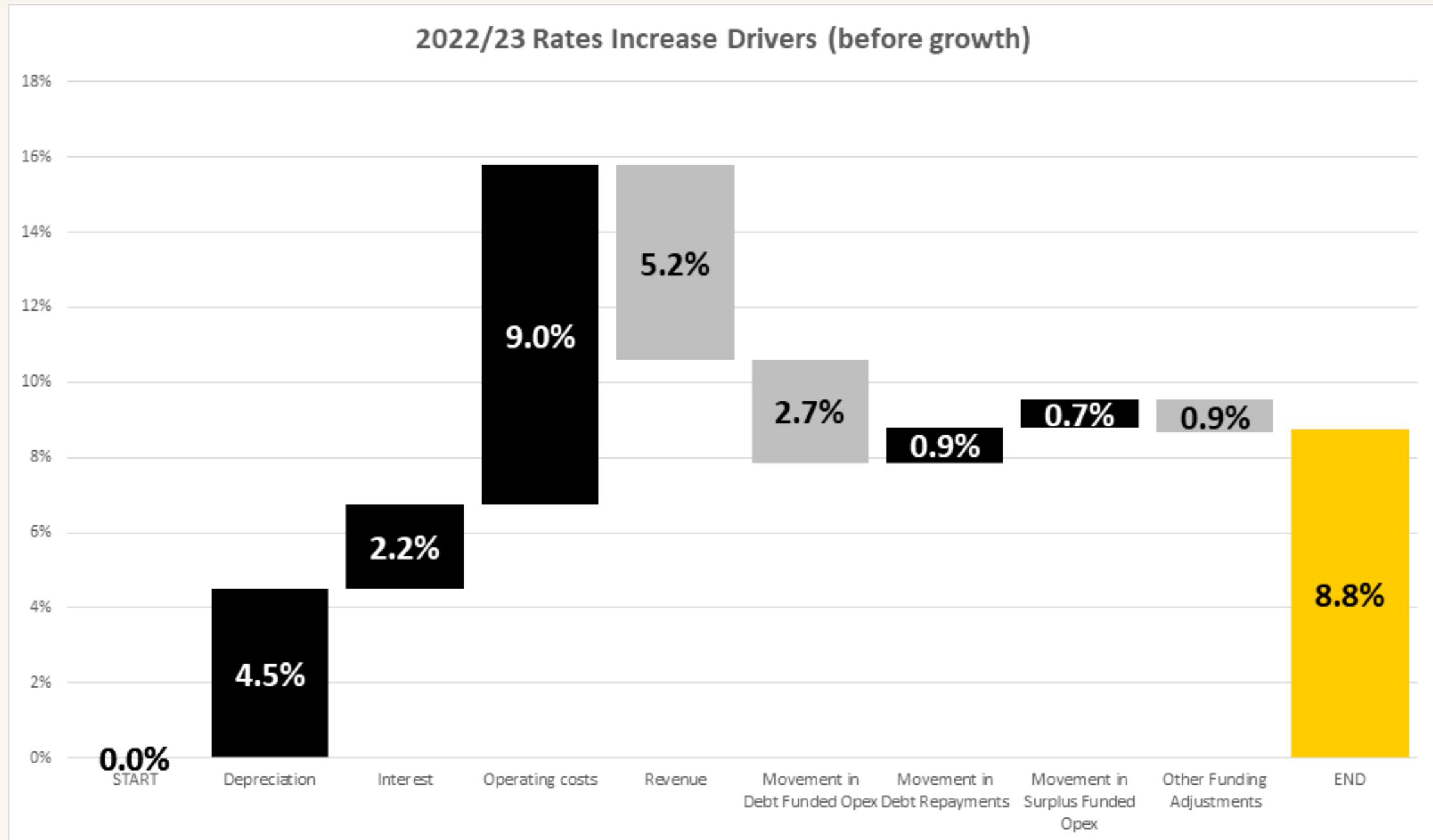
Background

- LTP objective is to achieve best value from existing assets
- Current fee is CPI adjusted but land value has gone up substantially in recent years
- Current fee does not adequately reflect the value that people get from exclusive use of public land

Recommendation

- **One:** increase the fees to \$26.66/m² (from \$13.33) from 1 July 2022 as an interim measure. This measure will increase the encroachment fee to \$533 for a 20m² encroachment area. It will increase the income for the Council by \$1.5million.
- **Two:** over time move the encroachment fee to be based on the individual rateable land value of the adjoining property. To be worked up and consulted on in 24 LTP

2022/23 Budget: rates

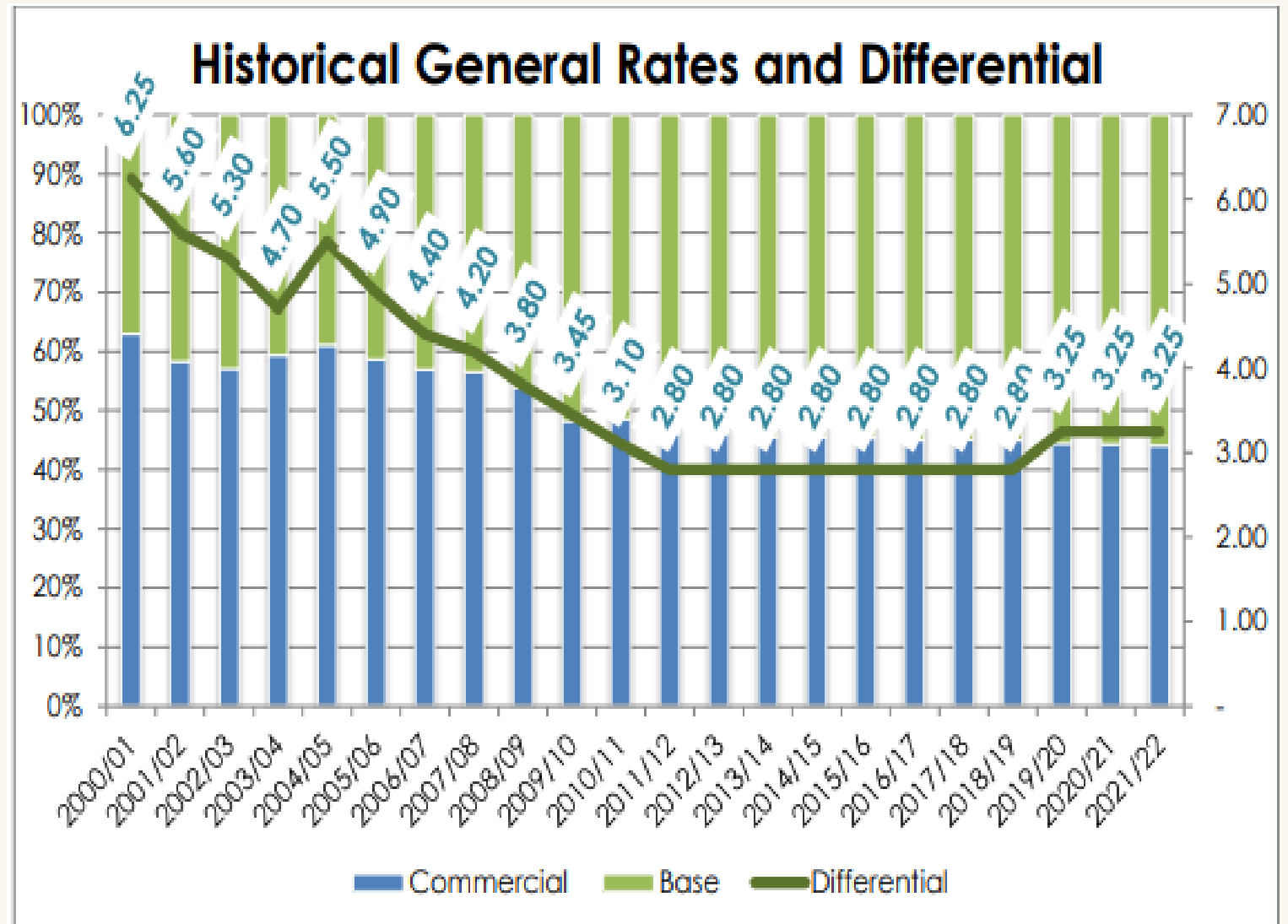


Rates risk / pressures

Pressure / Uncertainty	Financial Context
<p>Omicron wave – council impact Potential impacts on revenue and operating costs.</p>	<p>Currently unknown – uncertainty over impacts into 2022/23</p>
<p>Omicron wave support Potential impacts into 2022/23 of any support measures to be determined in June</p>	<ul style="list-style-type: none"> • \$1.3m as approved by Council 24 February (approx. 0.33% on rates) • Level of additional support in to 22/23 unknown
<p>Wellington Water pressures Wellington Water have advised of both operating costs pressure and capital pressure on the CBD wastewater renewal programme.</p>	<ul style="list-style-type: none"> • Circa \$4.8m opex and \$9.7m capex signalled
<p>Better off funding (3 waters reform) Uncertainty on the conditions surrounding the funding including how much flexibility to direct it to existing programmes or current pressures</p>	<p>\$5.76m in 2022/23 (\$57.6m in total). Impact on 22/23 opex or capex unknown</p>
<p>Environmental and Accessibility Performance Fund A separate report on this agenda outlines this issue and options for inclusion in the draft 2022/23 budget</p>	<p>\$20m debt funded over 7 years with no rates impact for 2022/23.</p>

Rates differential

- Share of commercial rates burden in comparison to total rates has reduced since 2000
- Current split between commercial and base (residential) is 44% and 56% respectively
- Recent City valuation has resulted in a higher average capital value increase on residential (Base)
- This shifts more of the burden to the residential base
- Recommendation is to maintain current levels of contribution from commercial and base (residential) ratepayers.
- This requires a shift in the differential
- Misconception in business sector that increasing the differential increases the portion paid by commercial sector. That is incorrect.



LTP Amendment: City Housing

LTP Amendment: City Housing

Issue	City Housing is in an unsustainable financial position, with operating and capital funding shortfalls, and cash reserves that will be depleted by 2022/23, and will be unable to meet Deed of Grant requirements beyond FY2022/23
Culture and Economic Committee decision 7 October 21	Agree to consult (through LTP amendment) as part of 22/23 Annual Plan on the options to address City Housing's financial sustainability
LTP Amendment	<p>Decision 1: Should we resolve City Housing's financial sustainability challenges by increasing rates and borrowing or by establishing a Community Housing Provider?</p> <p>Decision 2: If we established a Community Housing Provider, which model should we choose?</p> <ul style="list-style-type: none">Option 1: Asset-owning, fully independent CHPOption 2: Leasehold CHP with broad responsibilities (preferred option)Option 3: Leasehold CHP with narrow responsibilities
Note	Also agreed: Affordable Rent Limit Subsidy, which limits rent at 35% income + general rent freeze for 2022/23 through the ongoing impact of COVID and cost-of-living increases

LTP Amendment: Residual Waste

Issue	<ul style="list-style-type: none">• Consent to operate the Southern Landfill runs out in 2026• Although waste-minimisation is a priority for the future, we still need a solution for disposing of residual waste in the meantime.
Infrastructure Committee decision 14 October	Agree to consult on the residual waste disposal options
LTP Amendment	<ol style="list-style-type: none">1. New landfill on top of existing landfill (preferred option)2. Waste to energy incineration3. No residual waste facility in Wellington City

Consultation

Overall approach

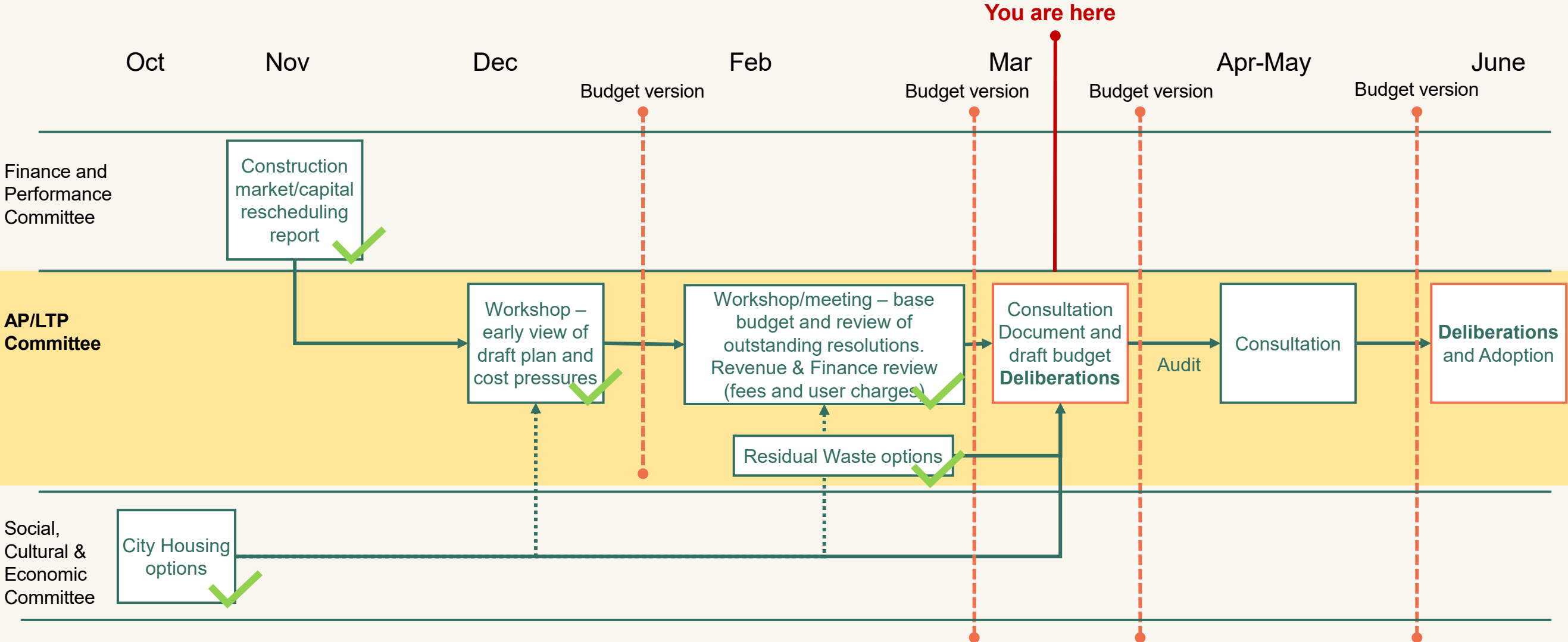
- Focused on city housing and residual waste disposal options
- We assume that consultation will be affected by Red alert level settings, with a need for lower levels of face to face engagement than planned.
- Will build on engagement methods used for previous Annual Plan consulted on during 2020 lockdown. This will include:
 - main platform Council's Korero Mai webpage
 - four 'ask me anything' webinars (2 on City Housing and 2 on Residual Waste)

City Housing

- additional non-digital and face to face opportunities for consultation with tenants,
- translations available of key documents
- series of six drop in Q&A sessions in City Housing community rooms.
- Tenancy Advisors will be available to support tenants to engage in the consultation and support on site submissions as required.

Full plan on how consultation will run is outlined in the report

Timeline



Building the case / busting the myths

MYTH #3: LIBRARY FINES ARE A MINOR COST TO LIBRARY USERS

Fact: Library fines exclude and marginalize vulnerable communities.

MYTH #4: LIBRARY FINES TEACH RESPONSIBILITY

Fact: Eliminating fines does not eliminate consequences or personal responsibility.

The library's mission is to ensure equitable access to information for all.

Library cops or safe and welcoming space for our communities?

“Studies show fines don’t get people to bring their stuff back on time,” said Misty Jones, San Diego’s head librarian. “All they do is create this narrative where when someone brings up the library, the first thing people think of is fines. “



Statement from the Chief Executive on the Rating Differential

There is inaccurate information circulating within the business sector about the impact of the proposed adjustment to the Commercial Differential as a consequence of a newsletter sent by the Chamber of Commerce to its members on Friday 4 March 2022. The newsletter states that commercial ratepayers will take on “proportionately more of the rating stress”. This is not correct.

What is correct is that:

- The Council has just completed a city-wide revaluation process which saw the valuations of the residential rating base increase more than the commercial sector. If this was a year where valuations remained the same, an increase in the Commercial Differential for the commercial sector would increase their rates. That is not the case this year.
- Officers recommend maintaining the same proportion of rates that are currently paid by the residential and commercial sectors.
- Currently the draft budget represents an 8.8% rates increase (before adjustment for growth). If we maintain the current proportion of rates paid by both residential and commercial sectors, then a commercial ratepayer, who is currently paying \$20,000 on annual rates, will next year be charged \$20,000 plus 8.8%.
- If the Council does not resolve to retain the existing proportion of rates paid by both residential and commercial sectors (i.e. increase the Commercial Differential), then that will mean that our residential rate payers will receive significantly more than the proposed 8.8% increase and the commercial sector will receive a significantly lower rates increase.